January 21, 2000

Dear Prospective Offeror:

INVITATION FOR BID OF DELIVERY GAS FOR ROYALTY GAS (IFB MMS-RIK-2000-GOMR-003): BLUEWATER AND SEA ROBIN PIPELINE PROPERTIES

The Minerals Management Service (MMS) of the US Department of the Interior, is soliciting bids for the auction of natural gas taken in kind as Federal royalty (Royalty Gas) from Federal offshore leases in the Gulf of Mexico for natural gas (Delivery Gas) to be delivered to an onshore location. The period covered by the Royalty Gas auction will be for seven months, commencing with the initial delivery on April 1, 2000.

The Contractor will be required to take the full amount of Royalty Gas for which bids have been accepted over the contracted delivery period at the Facility Measurement Point(s) specified in Exhibit A of this Invitation for Bid (IFB). The Royalty Gas provided to the Contractor will be unprocessed. The Contractor will be granted rights to any natural gas liquids, and, for properties on the Bluewater Pipeline, any retrograde condensate in the unprocessed gas stream. The Delivery Gas provided to the Government or its designated agent is required to meet pipeline specifications at the delivery point(s).

Under this solicitation, the MMS will consider offers for the auction of up to 210 million cubic feet of natural gas per day. Only pre-qualified companies may bid in this auction. Please refer to Exhibit C of this solicitation to learn how to prequalify. The closing date for receipt of offers is February 18, 2000, at 1:00 p.m. Eastern Time and four (4) copies should be provided. Offers are to be addressed to:

Attention: Michael Del-Colle, Contracting Officer
U.S. Department of the Interior
Minerals Management Service
381 Elden Street, MS 2500
Herndon, Virginia 22070-4817

This solicitation does not commit MMS to award contracts for auction of Royalty Gas. Offer preparation costs as a result of this solicitation will not be borne by MMS.

Thank you for your interest. Should you have questions regarding this solicitation, please refer to the contact information in the solicitation.

Sincerely,

Michael Del-Colle
Contracting Officer

INVITATION FOR BID (IFB)
IFB #MMS-RIK-2000-GOMR-003

(BLUEWATER AND SEA ROBIN PIPELINES)

INVITATION FOR BID

OF DELIVERY GAS FOR

ROYALTY GAS

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SECTION A - SOLICITATION

A.1. Introduction

The Minerals Management Service (MMS) of the U.S. Department of the Interior is soliciting written offers for the auction of Royalty Gas produced from Federal offshore leases in the Gulf of Mexico for Delivery Gas to be delivered to selected nearby onshore locations. The closing date for receipt of offers is February 18, 2000, at 1:00 p.m. Eastern Time.

The Royalty Gas available to the Contractor will be the Government's share of production from the Gulf of Mexico Federal leases identified in Exhibit A.

Offers will be accepted on a competitive bid basis. The Delivery Gas shall meet the specifications in Section A, and will be delivered to the Government at one of three onshore delivery points, where MMS will take title to the Delivery Gas.

Initial deliveries of Royalty Gas to the Contractor will commence April 1, 2000. The Royalty Gas delivery period will be for a term of seven months ending October 31, 2000.

A.2. Description

This solicitation is an invitation to Offerors to take title to the royalty share of natural gas produced from selected Federal leases in the Gulf of Mexico in consideration for natural gas delivered to the Government's accounts at one or more of the specified delivery points. The Contractor will take delivery of and title to the Royalty Gas at the applicable Facility Measurement Point (FMP) meter, identified in Exhibit A.

The Federal leases involved in this offering are located on the Bluewater and Sea Robin Pipelines in the central Gulf of Mexico area. The estimated royalty production available on these pipelines is approximately 210 million cubic feet/day, with approximately 150 million cubic feet/day estimated on the Bluewater Pipeline and 60 million cubic feet/day estimated on the Sea Robin Pipeline. For purposes of this offering, the Bluewater Pipeline is separated into three segments, designated by those properties with gas typically moving to: 1) Bluewater Gas Plant (also termed the western Bluewater segment in this IFB); 2) Yscloskey Gas Plant (also termed the eastern Bluewater segment); and 3) either of the two gas plants depending on flow characteristics (also termed the Null Point segment). Delivery and title transfer will be at the FMP identified in Exhibit A for both systems.

The Royalty Gas is being offered via four bid options: 1) bidding by pipeline package: bids for Royalty Gas from all FMPs identified in Exhibit A for an entire pipeline system; 2) bids for Royalty Gas from all FMPs on one of the three pipeline segments identified on the Bluewater system; 3) bids for Royalty Gas on individual FMPs on the eastern (Yscloskey) segment of the Bluewater System; and 4) package bidding on Royalty Gas from all FMPs on each of the five pipeline systems identified in Exhibit A. The offers shall be submitted as a ratio between the volume of Delivery Gas delivered at the Onshore Delivery Point (ODP) and the volume of Royalty Gas accumulated by each or all involved pipelines.

The specified onshore delivery points for Delivery Gas are:

1) The Tennessee Gas Pipeline's LA Pool
2) Columbia-Gulf Transmission Company's LA Pool

A.3. Definitions

As used throughout this solicitation, the following terms shall have the meaning set forth below:

a. "BTU" means one (1) British Thermal Unit, and is defined as the amount of heat required to raise the temperature of one pound of water from fifty-nine (59) degrees Fahrenheit to sixty (60) degrees Fahrenheit at a constant pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia). Total BTUs shall be determined by multiplying the total volume of gas delivered times the gas heating value expressed in BTUs per cubic foot of gas as adjusted on a dry basis.

b. "Contracting Officer (CO)" is a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes an authorized representative acting within the limits of his or her authority, as delegated by the CO, except as otherwise provided in this contract.

c. "Contracting Officer's Technical Representative (COTR)" is that person named to administer day-to-day technical contracting matters.

d. "Cubic feet" is that amount of gas which will occupy a volume of one (1) cubic foot of space when held at a base temperature of sixty (60) degrees Fahrenheit and at a pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch absolute (psia).

e. "Day" means that period of time consisting of twenty-four (24) consecutive hours beginning at 9:00 a.m.

f. "Delivery Gas" means that gas, which is being provided to the MMS in exchange for Royalty Gas received from the MMS.

g. "Delivery Point" means the point at which Delivery Gas is made available to the MMS.

h. "Facility Measurement Point" means the point of royalty determination approved by MMS. It is the point at which the Royalty Gas is made available and title is transferred to the Contractor.

i. "Force Majeure" means an inability to perform under the contract due to factors beyond the control of either party, as further defined in Section A.13.

j. "Government", unless otherwise indicated in the text, means the United States.

k. “Gross Heating Value” means the heat in BTUs produced by the complete combustion of a cubic foot of gas under standard conditions, at constant pressure, with air of the same temperature and pressure as the gas where the products of combustion are cooled to the initial temperature of the gas and air and where water formed by the combustion is condensed to a liquid state. Standard conditions for measuring the gas shall be sixty (60) degrees Fahrenheit and fourteen and seventy-three hundredths (14.73) psia. The resultant BTU content determined above shall be corrected to reflect actual water content of the gas at the Point of Delivery.

l. “MCF” means one thousand (1000) cubic feet of gas.

m. “MMBTU” means one million (1,000,000) British Thermal Units or BTUs.

n. "MMS" means U.S. Department of Interior, Minerals Management Service/Government.

o. “Natural gas" means a mixture of hydrocarbons, primarily consisting of methane that existed in the gaseous phase in natural underground reservoirs and remains gaseous at atmospheric pressure after passing through surface separating facilities and is marketed or used as such.

p. "Offeror" or "Contractor" herein means individuals, corporations, partnerships, or Government entities making written offers under this IFB.

q. “Onshore Delivery Point” means the designated location for receipt of delivery gas onshore.

r. “Onshore Delivery Point Quantity” means the amount of gas the Contractor shall deliver each day during the term of this Contract to the MMS, or its designated agent (“Agent”) at the ODP.

s. "Operator" means the entity engaged in the business of drilling for, producing, or processing gas or other minerals.

t. “Residue gas” means that hydrocarbon gas consisting principally of methane resulting from processing gas.

u. "Royalty Gas" means that portion of natural gas produced from or attributable to the properties listed in Exhibit A of this document to which the Government is entitled as the royalty percentage of the production.

A.4. Receipt and Delivery Obligations

Deliveries and Receipt Obligations at the Facility Measurement Point. The MMS owns natural gas produced from Federal offshore leases specified on Exhibit A hereto ("Royalty Gas"). The operators of those leases ("Operators") monitor and control the flow of Royalty Gas and are required to deliver Royalty Gas in accordance with the letter attached to the IFB as Exhibit D. The MMS shall cause the Operators to deliver Royalty Gas to Contractor at the applicable Facility Measurement Points ("FMP") identified on Exhibit A. The MMS shall cause Operators to place gas in marketable condition at their expense. Contractor will use the receiving pipeline system of its choice at the applicable FMP ("Transporter") to transport the FMP quantity. The MMS shall cause the Operators to nominate and schedule the quantity of Royalty Gas for delivery to Contractor at the applicable FMP based on the Operators' good faith estimate of Royalty Gas flows from each applicable lease during the following month ("FMP Quantity"). The MMS shall cause the Operators to effect such nominations and scheduling and communicate them to Contractor no later than 8 calendar days prior to the first day of the calendar month during which Royalty Gas is to flow hereunder. Subject to normal production variances and the other provisions in this IFB, the Operator shall deliver and Contractor shall receive the FMP Quantity each day at the FMP throughout the month.

Deliveries and Receipt Obligations at the Onshore Delivery Point. Subject to the other provisions in this Contract, each day during the term of this Contract, Contractor shall deliver a constant amount of Natural Gas equal to the accepted bid multiplied by the FMP Quantity to the MMS, or its designated agent ("Agent") at the ODP. This quantity of Natural Gas shall be referred to as the "ODP Quantity".

A.5. Contractor Liability for Offer Value of Royalty Gas.

Notwithstanding contract termination pursuant to E.3, the Contractor shall be liable for the offer value of one hundred percent (100%) of the Royalty Gas made available to it by Lessees, including gas made available to but not taken by the Contractor. Administrative costs and other expenses the MMS may incur as a result of obtaining another buyer for the gas for which the Contractor contracted but did not take would also be borne by the Contractor. The Contractor shall pay all amounts due within 7 calendar days after receipt of an invoice. Any disagreement with respect to the amount of such payment due the MMS will be deemed a dispute and will be decided by the respective Contracting Officer.

A.6. Scheduling of Royalty Gas Movements

A.6.a. The Contractor, at its expense, shall make all necessary arrangements to receive delivery of Royalty Gas at the FMP. The Contractor is not responsible for costs of transportation upstream of the FMP. Offerors should be aware that in certain cases, they might be responsible for transportation costs on lateral pipelines after the FMP, that may not under the jurisdiction of the Federal Energy Regulatory Commission, or any other regulatory body.

A.6.b. The Operator of the selected lease will deliver Royalty Gas to the Contractor at the same frequency as it is produced from the property. Unless otherwise notified, this will be assumed to be daily.

A.6.c. The Contractor agrees to take 100 percent of the Royalty Gas delivered to it at the FMP for the entire delivery period of this contract. The Contractor, through customary industry practice set forth by GISB and the Council of Petroleum Accountants Societies (COPAS) in nominating and scheduling transportation services, will attempt to minimize the occurrence of imbalances with the Operator of the lease. To facilitate timely and accurate delivery of Royalty Gas, the Contractor or its agent will communicate directly with the Operator and make arrangements for the delivery and transfer of Royalty Gas from these leases.

A.6.d. No later than 8 calendar days before the first day of each month, the Operator will notify the Contractor of the daily Royalty Gas volumes and qualities anticipated for the following month of production. This will continue for each month of the Royalty Gas Delivery Period. The Contractor understands that any such estimate is not a warranty of actual deliveries to be made but is provided to facilitate planning of delivery of Royalty Gas.

A.6.e. The Operator will use reasonable efforts, consistent with industry practice, to inform the Contractor regarding significant changes in gas production levels. The Operator will notify the Contractor in the event of a production shut-in.

A.6.f. Imbalances in the delivery of Royalty Gas to the Contractor will be monitored and jointly resolved by MMS and the Operator by adjustments in the volume of Royalty Gas delivered to the Contractor in subsequent months. These adjustments will be reflected in communications from the Operator to the Contractor regarding first of month availability of Royalty Gas.

A.6.g. The MMS will designate the Contractor to act on its behalf in carrying out the roles and responsibilities outlined for the "Lessor" in a letter that will be sent to all Operators of leases in this program. This letter is included as Exhibit D. Specifically, the Contractor will be responsible for performing the roles outlined for the Lessor in the following sections of the letter: 1) Royalty Gas Delivery; 2) Lessor Obligation to Take; 3) Communication; and 4) Lessor Point of Contact (Scheduling, Transportation, and Imbalance Issues).

A.7. Scheduling of Gas Deliveries to MMS

Delivery Gas will be made available to the MMS at the accepted onshore delivery point in the same frequency that Royalty Gas is delivered at the lease.

No later than 8 calendar days before the first day of each month, the Contractor will notify the MMS or its designated agent of the daily constant Delivery Gas volumes anticipated for the following month of production. This will continue for each month of the Royalty Gas Delivery Period. Unless Force Majeure provisions apply or MMS otherwise approves a change, this will be the daily delivered volume of Delivery Gas for the entire month.

A.8. Delivery and Receipt Documentation of Royalty and Delivery Gas

On a monthly basis, the Contractor shall provide to the Contracting Officer or its designee in a format similar to that presented in Exhibit E, a summary by FMP of the quantity and quality of Royalty Gas received and Delivery Gas delivered. This summary report is due to MMS 30 days after the end of the applicable month of production. The Contractor shall provide the Contracting Officer the point of contact responsible for this information, and provide copies of any associated third party source documents (e.g., pipeline statements) as requested by the Contracting Officer.

A.9. Quality of Delivered Delivery Gas

All Delivery Gas delivered by the Contractor to the MMS or its designated agent shall conform to pipeline quality specifications at the applicable delivery point.

As to the gas that does not meet the specification set out above, and which the Contractor elects not to process of treat to meet said specifications; the MMS shall have the option to:

Refuse to accept delivery of such gas. In the event the Contractor does not correct such deficiency within a reasonable time, Buyer shall have the right to suspend deliveries of Delivery Gas from the Contractor upon such notice as it deems reasonable under the circumstances;

Accept delivery of the gas pursuant to mutually agreeable terms, said terms to be agreed upon in writing by the parties, and/or cease deliveries of such gas, and MMS may obtain alternative fuel supplies elsewhere. The Contractor shall pay MMS the difference in cost for such alternative fuel supplies.

A.10. Delivery Service Levels

Before the start of each month during the Contract term, MMS in consultation with the Contractor will determine the percentage of the total Royalty Gas for all awarded FMPs that will be delivered at the ODP at a "Firm Service Level" and at a “Swing Service Level”.

1) Firm Service Level:

   Delivery Gas to be provided at the ODP on a non-interruptible, constant, daily volume subject only to changes resulting from area-wide Force Majuere events.

2) Swing Service Level:

   Delivery Gas to be provided at the ODP at an interruptible daily volume subject to changes approved by the MMS COTR.

A.11. Imbalances

Monthly imbalances will occur due to differences between the firm constant daily volume of Delivery Gas made available to the Government by the Contractor and the actual volumes of Royalty Gas taken by the Contractor multiplied by the delivery ratio(s).

1) Intra-Month FMP Imbalances.

a) Actual deliveries from the Operators to Contractor at the FMP may vary from the FMP Quantity for any reason, including without limitation an event of Force Majeure, failure of a Party to receive or deliver in accordance with this Contract, or unexpected changes in flow rates of Natural Gas at the wellhead. The MMS shall cause the Operator(s) to advise Contractor to the best of the Operators' ability and as soon as reasonably practicable of any such variances. Such variances may be reflected in revised nominations or in data provided by Transporter reflecting actual deliveries.

b) If at any time during a month during which Natural Gas is to be delivered and received hereunder Contractor determines that the actual quantity of Natural Gas delivered by the Operators and received by Contractor at the FMP significantly exceeds or could reasonably be expected to significantly exceed the FMP Quantity nominated in a given month, Contractor may request that the ODP Quantity be increased during the remainder of that month to eliminate or reduce the imbalance. The MMS shall exercise (and cause its Agent to exercise) commercially reasonable efforts to accommodate Contractor's request. If such an imbalance continues to exist, Contractor shall be entitled to retain such excess Natural Gas and shall not be required to deliver a corresponding incremental amount of Natural Gas to the MMS at the ODP; provided, however, that the value of such excess Natural Gas shall be credited to an account ("Imbalance Account"). The value of each MMBtu of Natural Gas shall equal the product of (i) the index price published in Gas Daily for the applicable pipeline index point under the column entitled "Midpoint" (hereinafter, the "Daily Index Price") in effect for the day(s) that the actual quantity of Natural Gas delivered by the Operators and received by Contractor at the FMP exceeds the FMP Quantity; and (ii) the delivery ratio bid by the Offeror.

c) If at any time during a month during which Natural Gas is to be delivered and received hereunder Contractor determines that the actual quantity of Natural Gas delivered by the Operators and received by Contractor at the FMP is significantly less than or could reasonably be expected to be significantly less than the FMP Quantity nominated in a given month, Contractor may request that the ODP Quantity be decreased during the remainder of that month to eliminate or reduce the imbalance. The MMS shall exercise (and cause its Agent to exercise) commercially reasonable efforts to accommodate Contractor's request. If such an imbalance continues to exist, Contractor shall nevertheless be required to deliver the ODP Quantity to the MMS at the ODP; provided, however, that (i) the value of such deficit Natural Gas shall be debited from the Imbalance Account, and (ii) Contractor's receipt obligations at the FMP and delivery obligations at the ODP shall be suspended with MMS approval to the extent prevented by an area-wide event of Force Majeure. The value of each MMBtu of Natural Gas shall equal the product of (i) the Daily Index Price in effect for the day(s) that the actual quantity of Natural Gas delivered by the Operators and received by Contractor at the FMP is less than the FMP Quantity and (ii) the delivery ratio.

2) Failure to Deliver or Receive the ODP Quantity.

a) Actual deliveries and/or receipts between Contractor and the MMS's Agent at the ODP may vary from the ODP Quantity for any reason, including without limitation an event of Force Majeure, failure of a Party to receive or deliver in accordance with this Contract.

b) If on any day during a month during which Natural Gas is to be delivered and received hereunder Contractor fails to deliver the ODP Quantity for that day (as such quantity may be modified pursuant to A.11, Section 1 above), the value of the quantity of Natural Gas Contractor failed to deliver shall be credited to the Imbalance Account. The value of each MMBtu of Natural Gas shall equal the Daily Index Price in effect for the day(s) that Contractor failed to deliver the ODP Quantity.

c) If on any day during a month during which Natural Gas is to be delivered and received hereunder the MMS or the MMS's Agent fails to receive the ODP Quantity for that day (as such quantity may be modified pursuant to A.11, Section 1 above) the value of such deficit Natural Gas shall be credited to the Imbalance Account. The value of each MMBtu of Natural Gas shall equal the Daily Index Price in effect for the day(s) that the MMS or the MMS's Agent failed to receive the ODP Quantity.

3) After-the-Month FMP Imbalances.

a) Transporters typically issue information depicting the actual flow of Natural Gas a few weeks after the end of the month during which Natural Gas flowed or was to flow. Such information shall be referred to hereinafter as “Actuals”.

b) If, based on Actuals, Contractor determines that the actual quantity of Natural Gas delivered by the Operators and received by Contractor at the FMP exceeded the FMP Quantity nominated for a previous month, Contractor shall be entitled to retain such excess Natural Gas and shall not be required to deliver a corresponding incremental amount of Natural Gas to the MMS at the ODP; provided, however, that the value of such excess Natural Gas shall be credited to the Imbalance Account. The value of each MMBtu of Natural Gas shall equal the product of (i) the first of the month index price published in Inside F.E.R.C.'S Gas Market Report adjacent to Louisiana for the applicable pipeline point (hereinafter, the “Monthly Index Price”); and (ii) the delivery ratio.

c) If, based on Actuals, Contractor determines that the actual quantity of Natural Gas delivered by the Operators and received by Contractor at the FMP was less than the FMP Quantity for that month, the value of such deficit Natural Gas shall be debited from the Imbalance Account. The value of each MMBtu of Natural Gas shall equal the product of (i) the Monthly Index Price and (ii) the delivery ratio.

4) After-the-Month ODP Imbalances.

a) If, based on Actuals, Contractor determines that the ODP Quantity during that month exceeded the quantity received by the MMS or its Agent at the ODP during that month Contractor shall be entitled to retain such excess Natural Gas; provided, however, that the value of such excess Natural Gas shall be credited to the Imbalance Account. The value of each MMBtu of Natural Gas shall equal the Monthly Index Price.

b) If, based on Actuals, Contractor determines that the ODP Quantity during that month was less than the quantity received by the MMS or its Agent at the ODP during that month, the value of such excess Natural Gas shall be debited from the Imbalance Account. The value of each MMBtu of Natural Gas shall equal the Monthly Index Price.

5) Imbalance Penalties Imposed by Transporters.

a) As between the MMS and Contractor, Contractor shall be liable for any imbalance, scheduling or similar charges, fees or assessments imposed as a result of an imbalance between the nominated FMP Quantity and the FMP Quantity actually delivered and received.

b) As between the MMS and Contractor, (i) Contractor shall be liable for any imbalance, scheduling or similar charges, fees or assessments imposed as a result of an imbalance between the nominated ODP Quantity and the ODP Quantity actually delivered and received to the extent Contractor caused any such charges, fees or assessments to be imposed; and (ii) the MMS, through its Agent, shall be liable for any imbalance, scheduling or similar charges, fees or assessments imposed as a result of an imbalance between the nominated ODP Quantity and the ODP Quantity actually delivered and received to the extent the MMS or its Agent caused any such charges, fees or assessments to be imposed.

6) Reconciliation of Imbalance Account.

a) Notwithstanding anything herein or in the IFB to the contrary, at the end of any calendar month during which deliveries and receipts of Natural Gas are made hereunder, Contractor may increase or decrease the quantity of its delivery obligation of the ODP Quantity at the ODP during the following month to the extent necessary to eliminate to the degree practicable any positive or negative balance in the Imbalance Account and/or to create a positive balance in the Imbalance Account that is sufficient in Contractor’s commercially reasonable judgment to protect Contractor from future imbalances between (i) the FMP Quantity and the quantity actually delivered at the FMP, and (ii) the FMP Quantity and the corresponding ODP Quantity. Contractor acknowledges that it is only entitled to alter the quantity of its delivery obligation of the OPD Quantity for the purposes set forth in the preceding sentence and only with the approval of the MMS COTR. Contractor and the MMS shall work in good faith to minimize any such alterations in the quantity of Contractor’s delivery obligation of the OPD Quantity and arrange for the MMS’s consent to such alterations prior to the time such alterations become effective.

b) If, after the term of this Contract expires, there is a positive balance in the Imbalance Account, Contractor shall pay the MMS or its Agent an amount equal to the value of the positive balance in the Imbalance Account. Contractor shall cause such delivery of Natural Gas or payment to be made no later than 10 business days after receipt of an invoice from the MMS therefor. If, after the term of this contract expires, there is a negative balance in the

Imbalance Account, the MMS shall cause its Agent to pay Contractor an amount equal to the amount in the Imbalance Account. The MMS shall cause its Agent to make such payment no later than 10 business days after receipt of an invoice from Contractor therefor. If the MMS or its Agent is not able to make such reconciliation payment, in lieu of making such payment, the MMS may deliver an amount of Natural Gas to Contractor at the ODP that is equal to the negative balance in the Imbalance Account divided by a commercially reasonable estimate of the Daily Index Price on the day the Natural Gas is to be delivered. Contractor and the MMS shall work in good faith to reconcile any remaining imbalances not reconciled using the methods contained in this Contract.

c) Contractor shall be the administrator of the Imbalance Account and on a monthly basis shall furnish the MMS a report that specifies all intramonth and monthly occurrences impacting the Imbalance Account. Such report shall be due within 10 days of receiving monthly pipeline statements.

A.12. Limitation of Liability

Limitation of Liability to Direct Damages. All imbalances caused by a party's failure to deliver or receive Natural Gas in accordance with this Contract shall be reconciled in accordance with A.11 above. The remedies for failure to deliver or receive Natural Gas hereunder set forth in this Contract shall be the sole and exclusive remedies for failure to deliver or receive Natural Gas hereunder. The obligor's liability shall be limited as set forth in such provision and all other remedies or damages at law or in equity or waived. If no remedy or measure of damages is expressly herein provided, the obligor's liability shall be limited to direct actual damages only. Unless expressly herein provided, no Party shall be liable for consequential, incidental, punitive, exemplary or indirect damages, lost profits, or other business interruption damages, in tort, contract, under any indemnity provision or otherwise.

A.13. Force Majeure

The term "Force Majeure" as used in this Contract shall mean acts of God, governmental action, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, tornadoes, storms, storm warnings, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, the necessity for making repairs to or alterations of machinery or lines of pipe, freezing of wells or lines of pipe, partial or entire failure of wells or other sources of Royalty Gas, refusal or inability of any transporting pipeline to transport gas pursuant to a firm transportation agreement, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the Party claiming suspension and which by the exercise of due diligence such Party is unable to prevent or overcome. Neither Party may claim Force Majeure for economic reasons.

1) Area-wide Event of Force Majeure.
The Force Majeure shall be considered area-wide if an entire pipeline or series of pipelines are shut down. For example, occurrence of hurricane; entire pipeline shut down; or regional

“freeze off” are considered Area-wide Force Majeure conditions to the extent that they result in the Contractor’s inability to perform the Contract. If an Operator, Contractor, the MMS or its Agent is rendered unable, by reason of an event of area-wide Force Majeure, to perform, wholly or in part, any obligation or commitment set forth in this Contract, then upon such party's giving notice and full particulars of such events of Force Majeure, all Parties’ obligations to receive and deliver Natural Gas hereunder shall be suspended to the extent and for the period of such event of Force Majeure.

2) Localized Event of Force Majeure.
The Force Majeure shall be considered localized if it does not affect the entire pipeline. Under a Localized Event of Force Majeure, the Contractor shall still be responsible for meeting the Firm Service Level defined in A.10 above. The Contractor shall be relieved from responsibility for meeting the Swing Service Level defined in A.10 above.

3) Additional Responsibilities.
a) Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary firm transportation unless primary, in-path, firm transportation is also curtailed; (ii) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship. The party claiming Force Majeure shall not be excused from its responsibility for Imbalance Changes.

b) Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be entirely within the sole discretion of the party experiencing such disturbance.

c) The party whose performance is prevented by Force Majeure must provide notice to the other party. Initial notice may be given orally; however, written notification with details of the event or occurrence is required as soon as reasonably possible. Upon providing written documented notification of Force Majeure to the other party, the affected party will be relieved of its obligation to make or accept delivery of Gas as applicable to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

SECTION B
OFFERS

B.1. Offeror Qualifications

Offers will only be accepted from qualified Offerors. An Offeror is qualified if the firm's total revenue derived from the buying and selling of gas during each calendar year from 1995 through 1999 has not been less than the following:

Bid	**Qualifying Level (per year)**
Entire Bluewater Pipeline	$135 million
- Bluewater Plant Gas	$ 70 million
- Yscloskey Plant Gas	$ 50 million
- Null Point Gas	$ 15 million
Sea Robin Pipeline	$ 55 million
Both Pipelines	$190 million

If the Offeror is a joint venture or partnering arrangement, only one of the partners is required to qualify as described above, provided that each of the joint venture partners is jointly and severally liable with respect to all obligations in this contract. Certification to the qualification requirement will be the signed Offeror's Certification and Acceptance Signature Page found in Section B.8 below.

If Offerors have prequalified at or below the Qualifying Level cited above for their bid on a previous IFB during THIS CALENDAR YEAR, they do not need to resubmit their qualifying information. You must note the IFB number, date, and Qualifying Level of your previous submittal on your offer to avoid resubmitting qualifying information. If Offerors are submitting a bid for a pipeline with a higher Qualifying Level, they must submit new qualifying information to be considered.

Offerors must be prequalified to submit bids. The prequalification process is described in Exhibit C.

B.2. Instructions to Offerors

B.2.a. The Royalty Gas offered is listed in Exhibit A. For each property, the table identifies:
Lease Location (Area/Block)
Lease Number or Agreement Number
Lease/Agreement Operator
FMP Number (MMS Assigned Number)
Meter Number (Pipeline Assigned Number)
FMP Location

Btu Content
Estimated Royalty Gas volume per day
Major Pipeline System
Any Lateral Pipelines

B.2.b. In order to facilitate bid preparation, the MMS is currently gathering additional data on lateral line ownership and points of contact. Offerors may communicate with the MMS points of contact listed below to receive available information on lateral lines.

B.2.c. Volumes of Royalty Gas shown in Exhibit A are estimates based on the most current available data on average property production volumes multiplied by the current royalty rate. Generally, the volumes reflect average daily production during August through October, 1999. The volume represents the Royalty Gas expected to be available and which must be taken by the Contractor each month. Production volumes, and therefore the actual volume of Royalty Gas available to the contractor, may vary significantly through the term of this IFB. As such, Offerors are encouraged to examine Exhibit B which provides the most recently available 1-year summary of production history for each FMP showing 100% of the production volumes (generally, royalty volumes equal 1/6 of the total FMP volume).

Retrograde or drip condensates are recovered at the Pecan Island and Cocodrie Plants at the western and eastern onshore locations, respectively, of the Bluewater System. The rights to recover drip condensate allocable to the FMP are granted to the successful offeror on the Bluewater Pipeline, but not on the Sea Robin Pipeline. Exhibit A indicates which FMPs that drip condensates were allocated to for the December 1999 production month. Offerors are advised that they can recover these condensates only if they sign handling and transportation agreements with Tennessee and Columbia-Gulf pipeline systems. These agreements may require MMBtu adjustments in the residual gas after the two drip condensate plants. Offerors are further advised that Chevron Corporation is the producers' representative on the Bluewater system for the allocation of drip condensates. For more information on retrograde condensates, please contact the following representatives:

- Tennessee Gas Pipeline: Andy Levine
  Phone:713-420-2094
  Fax:713-420-5494
  E-mail:levinea@epenergy.com

- Columbia-Gulf Pipeline: Steve Adamcik, Area Manager
  Phone: 713-267-4239
  Email:sadamcik@ceg.com

- Chevron: Andre Desforges
  Phone: 337-989-3284
  email:agde@chevron.com

B.2.d. The column in Exhibit A labeled "BID" is provided for Offerors to indicate their offers, specified as a delivery ratio of Delivery Gas to Royalty Gas. The bid/delivery ratio is the number that will be multiplied by the quantity of Royalty Gas made available at the FMP to compute the quantity of Delivery Gas made available to the Government at the onshore delivery location.

By the submission of a bid, the Offeror agrees to be bound by the terms and conditions of this solicitation.

B.2.e. Package Bids By Pipeline. Offerors may submit bids for royalty production from all of the FMPs connected to the same pipeline system. Offerors have the opportunity to make five pipeline package bids. Package bidding by pipeline means the bidder is providing a single delivery ratio that will apply to all Royalty Gas shown on Exhibit A as being connected to a single pipeline system.

B.2.f. Package Bids By Pipeline Segment. Offerors may submit bids for royalty production from all of the FMPs connected to any or all three of the pipeline segments on the Bluewater System identified on Exhibit A. Offerors have the opportunity to make three pipeline segment bids. Package bidding by pipeline segment means the bidder is providing a single delivery ratio that applies to all Royalty Gas shown on Exhibit A as being connected to that pipeline segment.

B.2.g. Bids by Individual FMP. Offerors may submit bids for Royalty Gas on any or all of the individual FMPs connected to the Yscloskey (eastern) segment of the Bluewater System as identified on Exhibit A.

B.2.h. Package Bid for All Available Gas. Offerors may submit bids for royalty production from all of the FMPs connected to the Sea Robin and Bluewater Pipelines as identified on Exhibit A. Package bidding for all available gas means the bidder is providing a single delivery ratio that will apply for all Royalty Gas shown on Exhibit A.

B.2.i. Offerors may telephone the Minerals Management Service, prior to the submission of a bid to clarify issues regarding this auction. Contact Information is provided below.

B.2.j. Proprietary and Confidential Data. If the Offeror submits any proprietary information, it must be marked as proprietary and an explanation must be provided for its proprietary nature. All applicable Department of Interior regulations governing proprietary data shall apply. The Offeror's prices are considered confidential and will not be released by the Government.

B.2.k. Each Offeror shall complete and furnish Section F – Certifications, along with its offer.

B.2.l. Four copies of offers shall be provided. Offers and modifications submitted by mail or hand delivered shall be enclosed in a sealed envelope and addressed to:

ATTN:Mr. Michael Del-Colle, Contracting Officer
U.S. Department of the Interior
Minerals Management Service
381 Elden Street, MS 2500
Herndon, Virginia 22070-4817
703-787-1352

Place the name and address of the Offeror in the upper left corner and the following information in the lower left corner on the face of the envelope:

B.2.m. Amendments to the IFB. The Contracting Officer may issue an amendment to this IFB if information significantly affecting information and terms and conditions of this solicitation subsequently becomes available. Please check the MMS Home Page at http://www.mms.gov for posting of any modification prior to your submission of an offer.

B.2.n. Acceptance Period . Bids will remain valid for 30 days after the bid opening date.

B.3. Preparation of Offer

Offerors must examine the complete IFB package, and must comply with all instructions. Failure do so may result in a non-responsive offer.

Offerors must ensure that offer packages are complete and that all required supplemental data are attached. Original signatures and fill-in information must be provided on the Offerors Certification and Acceptance Signature Page in Section B.8.

The Offeror must sign and affix its corporate seal to the Offerors Certification and Acceptance Signature Page in Section B.8. Any erasures or other changes must be initialed by the person signing the offer and offers signed by an agent must be accompanied by evidence of his or her authority. If a corporation has no corporate seal, the words "NO CORPORATE SEAL" must be hand-written in the space reserved for the seal, and the person signing the corporation certification must initial that statement.

B.4. Late Submissions, Modifications, and Withdrawals of Offers

Any offer received at the office designated in the solicitation after the exact time specified for receipt shall not be considered unless it is received before award is made and it:

(1) Was sent by registered or certified mail not later then the fifth (5th) calendar day before the day specified for receipt of offers (e.g., an offer submitted in response to a solicitation

requiring receipt of offers by the tenth (10th) of the month shall have been mailed by the fifth (5th)); or

(2) Was sent by mail and it is determined by the contracting officer the late receipt was due solely to mishandling by the MMS after receipt at the MMS installation; or

(3) Was sent by U.S. Postal Service Express Mail Next Day Service-Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term working days excludes weekends and U.S. Federal holidays; or

(4) Is the only offer received.

Any modification of an offer, except a modification resulting from the Contracting Officer's request for "best and final" offer, is subject to the same conditions as in Subparagraphs B.4 (1), (2), and (3) of this provision.

A modification resulting from the Contracting Officer's request for best and final offer received after the time and date specified in the request shall not be considered unless received before award and the late receipt is due solely to mishandling by the Government after receipt at the Government installation.

The only acceptable evidence to establish the date of mailing of a late offer or modification sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks shall show a legible date or the offer or modification shall be processed as if mailed late. Postmark means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, Offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

The only acceptable evidence to establish the time of receipt at the Government installation is the time/date stamp of that installation on the proposal wrapper or other documentary evidence of receipt maintained by the installation.

The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service - Post Office to Addressee is the date entered by the Post Office receiving clerk on the "Express Mail Next Day Service
Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in Paragraph (d) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, Offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

A late modification of an otherwise successful offer that makes its terms more favorable to the Government shall be considered at any time it is received and may be accepted.

Offers may be withdrawn by written notice, facsimile, or telegram received at any time before award. (See Section B.4.)

Prior to award, an offer may be withdrawn in person by an Offeror or its authorized representative, if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer.

B.5. Consideration of Offers

B.5.a. The MMS shall award contract(s) resulting from this solicitation to those responsible Offeror(s) whose bids, conforming to the solicitation, would in MMS' judgement be most advantageous to the Federal Government.

B.5.b. MMS reserves the right to reject any or all offers, to waive any informalities and minor irregularities in an offer, and unless otherwise specified by the Offeror, to accept any one item or group of items in an offer, as may be in the best interest of the Government.

B.5.c. MMS may award a contract on the basis of initial offer(s) received, without discussions. Accordingly, each initial offer should be submitted on the most favorable terms that the Offeror can submit.

B.5.d. The MMS has computed a minimum acceptable bid for gas offered under this IFB. Offers that are lower than the Government minimum acceptable bid will not be accepted absent other factors.

B.6. Evaluation Procedure for Award

B.6.a. Offers shall be evaluated based on the best value offered to MMS.

B.6.b. Tie-Breaking Procedures. In the event of ties, the Offeror will be given 24 hours after notification of the tie by MMS to resubmit an offer via Fax to the Contracting Officers. If no re-offer is submitted, the original offer will be considered the offer on the properties. In the event there are ties after a re-offer, drawing lots will break the tie.

B.6.c. The Government reserves the right to negotiate in circumstances where it believes its interests are best served.

B.7. Contract Award

B.7.a. The Contracting Officer is the sole judge as to whether the offers conform to this solicitation.

B.7.b. The MMS will generally evaluate and select properties to maximize direct revenues to the U.S. However, evaluation and award will retain the flexibility to consider administrative savings, even if such award may result in less direct revenues to the Governments; e.g., the cost of administering the contract exceed the revenue received from the sale.

B.7.c. The contract, if awarded, shall be awarded to the Offeror who, in the opinion of the Contracting Officer is the highest, most responsible, and responsive Offeror.

B.7.d. The Government will award to the successful Offeror by means of an award sheet Standard Form (SF) 26, signed by the Contracting Officer. This identifies the items, quantities, and Exchange Gas, which the Government is accepting. A contract will consist of the signed SF 26 award sheet, your offer and this Request for Offer. These documents shall constitute the entirety of the contract between the Contractor and the Government.

B.8. OFFEROR'S CERTIFICATION AND ACCEPTANCE SIGNATURE PAGE

OFFEROR'S BUSINESS NAME:
ADDRESS:
CORPORATE OR PARTNERSHIP OFFICER:
TYPED NAME AND TITLE:
DATE:
CORPORATE SEAL:

Offers by corporations must be executed over the corporate seal. If a corporation has no corporate seal, the words: "NO CORPORATE SEAL" must be hand-written in the space reserved for the seal, and the person signing the corporation certification must initial that statement.

Having examined the offer documents, including any amendments to this Invitation for Bids (IFB), if applicable, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to purchase Royalty Gas in conformity with our offered bids

We undertake, if our offer is accepted, to purchase the Royalty Gas in accordance with the provisions in the IFB.

We agree to stand by ours Offer for a period of 30 days from the date fixed for receipt under the Instructions to Offerors, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Your Offer, together with this signed Offeror's Certification and Acceptance Signature page and your notification of award, shall constitute a binding Contract between you and MMS.

We certify that we are a qualified Offeror as described in Section B.1 of the IFB and that the information, provided in the certifications include herein are accurate and complete.

The making of false statements to the Government is punishable by a fine of not more that $10,000 and/or not more than five years imprisonment sees 18 U.S.C. 1001.

Dated this_____________ day of _____________ 1999. .

Authorized Signature Title

Submissions Required:
Section B.8 - Executed Offeror's Certification and Acceptance Signature Page
Exhibit A (Your offer for Federal Properties)
Section G - Completed Certifications

SECTION C
CUSTODY AND TITLE TRANSFER

C.1. Custody Transfer Measurement and Quality/Quantity Determination of Royalty Gas Received by the Contractor

All Royalty Gas delivered must be accepted by the Contractor from the awarded FMP volumes for the entire Royalty Gas delivery period, including Royalty Gas from the newly producing wells on these leases. The Contractor will take custody of the Royalty Gas at the FMP.

Custody transfer measurements will be in accordance with established GISB standards. The custody transfer measurements of the Delivery Gas to be delivered by the contractor is the responsibility of the contractor.

C.2. Title to Gas

C.2.a. The MMS warrants title to all Natural Gas delivered hereunder at the FMP pursuant to MMS authority under the Outer Continental Shelf Land Act at 43 USC 1353 and the royalty provisions pertaining to federal mineral leases pursuant to this act.

C.2.b. Title and custody for the Royalty Gas to be delivered by the MMS to the Contractor will be transferred to the Contractor at the Royalty Gas FMP.

C.2.c. Contractor warrants title to all Natural Gas delivered hereunder at the ODP and agrees to indemnify the MMS from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any and all persons to such Natural Gas or to royalties or charges thereon. Contractor warrants that the Natural Gas delivered hereunder at the ODP qualifies under all regulatory and jurisdictional regulations, both federal and state, for the purposes encompassed within this IFB. Contractor warrants its right and lawful authority to deliver all Natural Gas delivered at the ODP hereunder. Contractor shall indemnify and hold the MMS harmless for any breach of Contractor’s warranties contained herein.

C.2.d. Title to the Delivery Gas will be transferred to the Government at the specified onshore delivery point(s).

C.2.e. The MMS shall have the right to reject any Delivery Gas which, when tendered for delivery, may be involved in litigation, or the title of which may be in dispute. Also, the MMS may require of the Contractor satisfactory evidence of the Contractor's perfect and unencumbered title or satisfactory indemnity bond. The Contractor warrants and guarantees that it has good title there to the Delivery Gas being provided to the Government

SECTION D
PAYMENT

D.1. Method of Payments

Payment for Royalty Gas shall be made by provision of Delivery Gas in accordance with the terms of the contract.

D.2. Monetary Settlements

Any cash payments made by the Contractor pursuant to Sections A.4. and A.5. must be made to MMS by electronic funds transfer (EFT). For specific EFT instructions, contact the Contracting Officer.

SECTION E
CONTRACT PROVISIONS

E.1. Default

The Contracting Officer without liability to the MMS may terminate this contract in whole or in part as pertains to each respective interest, by written notice to the Contractor effective upon such notice being delivered personally to any authorized representative of the Contractor, being deposited in the United States Postal System, or with an overnight delivery service addressed to the Contractor as provided in E.4 in the event:

(1) Contractor breaches any warranty made herein;
(2) Contractor fails to take delivery in accordance with the terms of this contract;
Contractor no longer meets the financial qualifying criteria specified in this solicitation as determined by the Government
(3) There are instituted by or against Contractor proceedings in bankruptcy or other insolvency law; or Contractor fails to comply with any other term or condition of this contract within 48 hours after the Contracting Officer or their designee, gives telephonic or other oral notice. The Governments will confirm any oral notification in writing.

Notwithstanding other provisions of this Request for Offers Contractor shall not be charged with any liability to the MMS under circumstances which prevent Contractor's acceptance of delivery hereunder due to causes beyond the control and without the fault or negligence of Contractor, as deemed by the Contracting Officer.

Nothing herein will limit the Government in the enforcement of any legal or equitable remedy, which it might otherwise have, and a waiver of any particular cause for termination will not prevent termination for the same cause occurring at any other time or for any other cause.

Upon termination of a contract for Contractor's default, the Contracting Officers may sell or otherwise dispose of the remaining natural gas in an appropriate manner. Any net loss experienced by the Government, calculated as the difference between the price received for the remainder of the contract period as sold by the Contracting Officer, to include administrative cost and the price that would have accrued had the Contractor delivered the volumes until the term of the contract expired will be due from the Contractor.

E.2. Disputes

E.2.a. This contract is subject to the Contract Disputes Act of 1978 as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Contractor may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.

E.2.b. "Claim" means:

(1) A written request submitted to the Contracting Officer;

(2) For payment of money, adjustment of contract terms, or other relief;

(3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and

(4) For which a Contracting Officer's decision is demanded.

E.2.c. In the case of dispute requests or amendments to such requests for payment exceeding $100,000, the Contractor shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Contractor believes the Government is liable.

Contractor's Name
Signature
Title

E.2.d. The Government shall pay to the Contractor interest on the amount found due to the Contractor on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the MMS makes payment. The Contract Disputes Act of 1978 as amended and the Prompt Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.

E.2.e. The Contractor shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Contractor makes payment.

E.2.f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978 as amended.

E.2.g. The Contractor shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.

E.3. Termination for the Convenience of the Government

The Government enters into this contract with the intent of being an active, participating partner during the full term of the Contract. However, the MMS must reserve the Federal Government's right to unilaterally cancel this contract by written notice issued by the Contracting Officer. Such action would be taken, for instance, if legislative actions, appropriation provisions, or court actions required contract termination. In the event of cancellation, unless otherwise prescribed by the circumstances previously cited, the Contractor will be given 180 days written notice.

E.4. Termination

E.4.a. Term. The Parties' obligations to deliver and receive Natural Gas under this Contract shall commence on April 1, 2000 and remain in effect until November 31, 2000, unless terminated earlier in accordance with this Contract.

E.4.b. Termination Rights. With the exception of Section E.3 above, neither Party may terminate this Contract unless a Party materially fails to deliver or receive Natural Gas or pay amounts due in accordance with the Imbalance Account reconciliation method set forth in Section A.11 above and then only after the non-performing Party has received ten business days' advance written notice from the other Party that the non-performing Party has failed to make such receipts, deliveries or payments in accordance with the reconciliation method set forth in Section A.11 above. In addition, the MMS reserves the right to terminate this Contract for the convenience of the Government as detailed in Section E.3 above.

E.4.c. Survival. The rights of either Party hereunder related to reconciliation of the Imbalance Account, the obligation to pay (or in the case of the MMS, the obligation to cause its Agent to pay) amounts due hereunder, and the obligation of either Party to indemnify the other Party hereunder shall survive termination of this Contract.

E.5. Excusable Delays

E.5.a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.

E.5.b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to the scheduled date of delivery. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

E.6. Modification

No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in this contract. The Contracting Officer shall make all modifications to the contract in writing.

E.7. Covenant Against Contingent Fees

E.7.a. The Offeror warrants that no person or agency has been employed or retained to solicit or obtain this contract upon an agreement or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or, in its discretion, to add to the contract price or consideration, or otherwise recover, the full amount of the contingent fee.

E.7.b. "Bona fide agency," as used in this paragraph, means an established commercial or selling agency, maintained by a Contractor for the purpose of securing business, that neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds itself out as being able to obtain any Government contract or contracts through improper influence.

E.7.c. "Bona fide employee," as used in this paragraph, means a person, employed by a Offeror and subject to the Offeror's supervision and control as to time, place, and manner of performance, who neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds out as being able to obtain any Government contract or contracts through improper influence.

E.7.d. "Contingent fee," as used in this paragraph, means any commission, percentage, brokerage, or other fee that is contingent upon the success that a person or concern has in securing a Government contract.

E.7.e. "Improper influence," as used in this paragraph, means any influence that induces or tends to induce a Government employee or officer to give consideration or to act regarding a Government contract on any basis other than the merits of the matter.

E.8. Assignment

The Contractor shall not make or attempt to make any assignment of a contract that incorporates the clauses of this IFB or any interest therein contrary to the provisions of Federal law, including the Anti-Assignment Act (41 U.S.C. 15), which provides:

No contract or order, or any interest therein, shall be transferred by the party to whom such contract or order is given to any other party, and any such transfer shall cause the annulment of the contract or order transferred, so far as the United States is concerned. All rights of action, however, for any breach of such contract by the contracting parties, are reserved to the United States.

E.9. Officials Not to Benefit

No member of or delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract, or to any benefit arising from it. However, this clause does not apply to this contract to the extent that this contract is made with a corporation for the corporation's general benefit.

E.10. Gratuities

E.10.a. The Government, by written notice to the Contractor, may terminate the right of the Contractor to proceed under this contract if it is found, after notice and hearing, by the Secretary of Energy or his duly authorized representative, that gratuities (in the form of entertainment, gifts, or otherwise) were offered by or given by the Contractor, or any agent or representative of the Contractor, to any officer or employee of the Government with a view toward securing a contract or securing favorable treatment with respect to the awarding, amending, or making of any determinations with respect to the performing of such contract; provided, that the existence of the facts upon which the Administrator of MMS or his duly authorized representative makes such findings shall be in issue and may be reviewed in any competent court.

E.10.b. In the event that this contract is terminated as provided in Paragraph (a) hereof, the Government shall be entitled (1) to pursue the same remedies against the Contractor as it could pursue in the event of a breach of the contract by Contractor, and (2) as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by the Administrator of MMS or his duly authorized representative) which shall not be less than three nor more than 10 times the cost incurred by the Contractor in providing any such gratuities to any such officer or employee.

The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

E.11. Indemnification

Contractor shall indemnify and save the Governments and Lessees harmless from and against any loss, expense, liability, or claim of any kind for damage to property, or for injury to or death of persons which Contractor, its agents, employees, or personnel intentionally or negligently or otherwise cause, arising in any way from or connected with performance of this contract.

E.12. Governing Laws and Regulations

Federal Law, OCSLA and this Request for Offer hereunder govern the exchange of Royalty Gas.

The Federal Acquisition Regulations (FAR), 48 CFR, Ch. 1, Pts. 1-53 do not apply to this sale; however, the Government may use the FAR as guidance in this solicitation and contract award.

Choice of Law. This IFB and the rights and duties of the parties arising herefrom shall be governed by all applicable federal laws; provided, however, that to the extent such laws are not applicable, the laws of the State of (Incorporation or Operation), except for the laws of the State regarding principles of conflicts of law, shall govern.

E.13. Limitation of the Government Liability

The Government is not liable for nonperformance due to Force Majeure.

E.14. Export Limitations and Licensing

Contractors are subject to all the limitations and licensing requirements of the Export Administration Act of 1969 (83 Stat. 841) in accordance with 10 U.S.C. §7430(e).

E.15. Contractor's Release of Claims

Contractor hereby releases the Government from all claims arising in connection with this contract, except in the case of those Federal claims meeting the requirements of the Contract Disputes Act which the Contracting Officer receives prior to the date upon which final delivery is due hereunder. Claims not received before such date are forever barred.

E.16. Environmental Compliance

Failure of the Contractor or the Contractor's subcontractors to comply with all applicable rules and regulations concerning the transportation of gas will be considered a failure to comply with the terms of any contract containing these provisions, and may result in termination for default, unless, in accordance with Paragraph E.1., such failure was beyond the control and without the fault or negligence of the Contractor, its affiliates, its agents or subcontractors at any tier.

SECTION F
CERTIFICATIONS

Please complete and return this section with your offer.

F.1. Certificate of Independent Value Determination

F.1.a. The Offeror certifies that -

(1) The Exchange Gas offered to the Government has been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Offeror or competitor relating to (i) those values, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the values offered;

(2) The Exchange Gas offered to the Government has not been and shall not be knowingly disclosed by the Offeror, directly or indirectly, to any other Offeror or competitor before contract award unless otherwise required by law; and

(3) No attempt has been made or shall be made by the Offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

F.1.b. Each signature on the offer is considered to be a certification by the signatory that the signatory -

(1) Is the person in the Offeror's organization responsible for determining the value being offered in this proposal, and that the signatory has not participated and shall not participate in any action contrary to Subparagraphs a. (1) through a. (3) above; or

(2)(i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and shall not participate in any action contrary to Subparagraphs a.(1) through a.(3) above

(insert full name of person(s) in the Offeror's organization responsible for determining the quantities offered in this proposal and the title of his/her position in the Offeror's organization);

2(ii) As an authorized agent, does certify that the principals named in subdivision b.(2)(i) above have not participated, and shall not participate, in any action contrary to Subparagraphs a.(1) through a.(3) above; and

2(iii) As an agent, has not personally participated, and shall not participate, in any action contrary to Subparagraphs a.(1) through a.(3) above.

F.1.c. If the Offeror deletes or modifies Subparagraph a.(2) above, the Offeror shall furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

F.2. Contingent Fee Representation and Agreement

F.2.a. Representation. The Offeror represents that, except for full-time bona fide employees working solely for the Offeror, the Offeror: (Note: The Offeror shall check the appropriate boxes. For interpretation of the representation, including the term bona fide employee, see Provision E.9.)

(1) ______ has, ______ has not employed or retained any person or company to solicit or obtain this contract; and

(2) ______ has, ______ has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

F.2.b. Agreement. The Offeror agrees to provide information relating to the above Representation as requested by the Contracting Officer and, when Subparagraph (a)(1) or (a)(2) is answered affirmatively, to promptly submit to the Contracting Officer-

(1) A completed Standard Form 119, Statement of Contingent or Other Fees, (SF 119); or

(2) A signed statement indicating that the SF 119 was previously submitted to the same Contracting Officer, including the date and applicable solicitation or contract number, and representing that the prior SF 119 applies to this offer or quotation.

F.3. Certification Regarding Debarment, Suspension, Proposed Debarment and Other Responsibility Matters

F.3.a. The Offeror certifies, to the best of its knowledge and belief, that -

(1)(i) The Offeror and/or any of its Principals:

A) Are (______) are not (______) presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by an Federal agency.

B) Have (______) have not (______), within a 3-year period preceding this offer, been convicted of or had a civil judgment rendered against them for:

commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and

C) Are (______) are not (______) presently indicted for, or otherwise criminally or civilly charged by an MMS entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.

(1)(ii) The Offeror has (______) has not (______) within a 3-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary division, or business segment, and similar positions).

This certification concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under section 1001, title 18, United States Code.

F.3.b. The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous by reason of changed circumstances.

F.3.c. A certification that any of the items in Paragraph a. of this provision exists shall not necessarily result in withholding of an award under this solicitation. However, the certification shall be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsive.

F.3.d. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required in Paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally processed by a prudent person in the ordinary course of business dealings.

F.3.e. The certification in Paragraph a. of this provision is material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to the other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

F.4. Contact Information:

For questions regarding the contract and solicitation please contact:

Mr. Michael De-Colle, Contracting Officer
U.S. Department of the Interior
Minerals Management Service
381 Elden Street, MS 2500
Herndon, Virginia 22070-4817
PHONE (703) 787-1352
FAX (703) 787-1009
E-mail: Michael.DelColle@mms.gov

Mr. Gregory W. Smith
U.S. Department of the Interior
Minerals Management Service
12,600 W. Colfax Ave, MS 9200
Lakewood, CO 80225
PHONE (303) 275-7102
FAX (303) 275-7124
E-mail: Gregory.W.Smith@mms.gov

F.5. Certification of Nonsegregated Facilities

"Segregated facilities," as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or otherwise.

By the submission of this offer, the Offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any location under its control where segregated facilities is a violation of the Equal Opportunity clause in the contract.

The Offeror further agrees that (except where it has obtained identical certifications from proposed sub-purchasers for specific time periods) it will--
Obtain identical certifications from proposed sub purchasers before the award of subcontracts under which the sub purchaser will be subject to the Equal Opportunity clause;

Retain the certifications in the files; and forward the following notice to the proposed sub-purchasers (except if the proposed sub-purchasers have submitted identical certifications for specific time periods):

F.6. Previous Contract and Compliance Reports. The Offeror represents that –

It has, has not participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this solicitation, the clause originally contained in Section 310 of Executive Order No. 10925, or the clause in Section 201 of executive Order No. 11114;

It has, has not filed all required compliance reports; and

Representations indicating submission of required compliance reports, signed by proposed sub purchasers, will be obtained before subcontract awards.

F.7. Clean Air and Water Certification. The Offeror certifies that –

Any facility to be used in the performance of this proposed contract is, is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities:

The Offeror will immediately notify the Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the EPA, indicating that any facility that the Offeror proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and

The Offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

F.8. Certification of Toxic Chemical Release Reporting.

Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.

By signing this offer, the Offeror certifies that –

As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in Section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and Section 6607 of the Pollution Prevention Act of 1990 (PPA), the Offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory form (Form R) as described in Sections 313 (a) and (g) of EPCRA and Section 6607 of PPA; or

(2) None of it s owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: (Check each block that is applicable.)
The facility does not manufacture, process or otherwise use any toxic chemical listed under Section 313(c) of EPCRA, 42, U.S.C. 11023(c);

(ii) The facility does not have 10 or more full-time employees as specified in Section 313(b) (1) (A) of EPCRA, 42 U.S.C. 11023(b) (1) (A);
(iii) The facility does not meet the reporting thresholds of toxic chemicals established under Section 313(f) of EPCRA, 42 U.S.C. 11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);
(iv) The facility does not fall within Standard Industrial Classification Code (SIC) designations 20 through 39 as set forth in Section 19.102 of the Federal Acquisition Regulation; or
(v) The facility is not located within any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

F.9. Data Universal Numbering System (DUNS).
The Offeror is requested to insert the Dun and Bradstreet number (DUNS) assigned to their address. ______________________________

F.10. Taxpayer Identification.

a. Definitions.

"Common parent," means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the Offeror is a member.

"Corporate status," means a designation as to whether the Offeror is a corporate entity, an unincorporated entity (e.g., sole proprietorship or partnership), or a corporation providing medical and health care services.

"Taxpayer Identification Number (TIN)," means the number required by the IRS to be used by the Offeror in reporting income tax and other returns.

b. All Offerors are required to submit the information required in paragraphs c. through e. of this IFB provision in order to comply with reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the Internal Revenue Service (IRS).

c. Taxpayer Identification Number (TIN)

TIN __________________________________.

TIN has been applied for.

TIN is not required because: Choose one of the following:

Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the U.S. and does not have an office or place of business or a fiscal paying agent in the U.S.;

Offeror is an agency or instrumentality of a foreign Offeror;
Offeror is an agency or instrumentality of a Federal, state, or local Offeror;
Other Choose one of the following:

d. Corporate Status.

Other corporate entity;
Not a corporate entity;
Sole proprietorship;
Partnership;

e. Common Parent.
Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this clause.
Name and TIN of common parent:
Name
TIN

FMP Location	FMP No.	Lease/Unit No.	Area	Blk	Lease/Unit Operator	Btu cnt	Lease/ Agre MMBtu per day	FMP Total MMBtu per day	Meter No. at FMP/ Platform	Bluewater Pipeline Meter ID (TGP)	Bluewater Pipeline Meter ID (CGT)	Lateral Pipeline	Onshore Delivery Point	Bid
Bluewater Pipeline System														
Note: All Leases/Units receive a retrograde allocation except for 054-012901-0 from FMP 3017707PI0K														
• Gas Processed at Bluewater Plant														
EC 0254 B	3017704BW01	054-002039-0	EC	254	PennzEnergy E&P	1044	1,943	1,943	011076	011076		direct connent		
EC 0272 A	3017704BW03	054-002047-0	EC	272	Chevron U.S.A. Inc.	1041	892	892	011077	011077		direct connent		
EC 0353 A	3017704BW06	891-016147-0	EC	353	Amerada Hess	1013	952	952	011322	011322	6600353	direct connent		
GB 0189 A	3060807BW01	054-006358-0	GB	189	Texaco E&P Inc.	1133	12,367	12,367	unavail.	018063	4085	Texaco E&P Inc.		
GB 0236 A	3060807BW00	054-002632-0	GB	236	Chevron U.S.A. Inc.	1014	1,153							
GB 0236 A	3060807BW00	054-002812-0	GB	237	Chevron U.S.A. Inc.	1014	362							
GB 0236 A	3060807BW00	054-003301-0	GB	192	Chevron U.S.A. Inc.	1014	3							
GB 0236 A	3060807BW00	054-007454-0	GB	235	LL&E	996	2,423							
GB 0236 A	3060807BW00	054-010342-0	GB	240	Mariner Energy Inc.	1034	821	4,762	689	018052	689	direct connent		
SM 0245	3017707PI0L	054-016336-0	SM	245	Sonat Exploration	1018	1,335	1,335	unavail.	012482		Sonat Exploration		
SM 0250 A	3017707PI0K	054-012901-0	SM	250	Agip Petroleum Co.	1022	832	832	unavail.	012403		Agip Petroleum		
VR 0115 A	3117705BW01	054-013882-0	VR	116	Burlington Res. Off.	1045	2,572							
VR 0115 A	3117705BW01	054-017896-0	VR	115	Burlington Res. Off.	1045	1,723	4,295	012505	unavail.	unavail.	Burlington Res.		
VR 0119 G	3017705BW07	055-000487-0	VR	119	Burlington Res. Off.	1058	2,574	2,574	011401	011401		direct connent		
VR 0160 AJ	3017705BW0P	754-393004-0	VR	160	McMoran Oil & Gas	1098	2,828	2,828	650625	018066	4115	El Paso Offshore		
VR 0178 JB	3017705BW0I	054-011871-0	VR	178	Apache Corporation	1060	1,241	1,241	unavail.	018065	4106	Dynegy		
VR 0203 A	3017705BW0W	054-012871-0	VR	203	Houston Exploration	1022	995	995	unavail.	012419	9200203	El Paso Offshore		
VR 0221 A	3017705BW05	054-004424-0	VR	221	TDC Energy	1020	892							
VR 0221 A	3017705BW05	054-012839-0	EC	215	Santa Fe Snyder	1020	810	1,702	unavail.	018055	4058	Seacrest Co.		
VR 0226 A	3017705BW0G	891-008816-0	VR	226	Burlington Res. Off.	1036	1,051							
VR 0226 A	3017705BW0G	054-005195-0	VR	218	Burlington Res. Off.	1036	120	1,171	011700	011700		direct connent		
VR 0281 A	3017706BW0F	054-015201-0	VR	281	King Ranch Energy	1049	1,866	1,866	unavail.	018073	4138	King Ranch Energy		
WC 0485 A	3017702BW0D	754-394008-0	WC	507	Aviara Energy	1062	2,948	2,948	714	018062	714	direct connent		
WC 0599 A	3017702BW0E	054-012807-0	WC	600	Samedan Oil	1035	1,565							
WC 0599 A	3017702BW0E	054-014348-0	WC	599	Samedan Oil	1035	1,409	2,974	unavail.	018068	4136	Samedan Oil		
WC 0601 A	3017702BW00	054-003386-0	WC	601	Matrix Oil & Gas	1017	1,718	1,718	890251	011628	9627601	ANR		
WC 0615 A	3017702BW0F	054-015118-0	WC	615	Apache Corporation	1002	5,970	5,970	unavail.	018071	4132	Apache Corp.		

FMP Location	FMP No.	Lease/Unit No.	Area	Blk	Lease/Unit Operator	Btu cnt	Lease/ Agre MMBtu per day	FMP Total MMBtu per day	Meter No. at FMP/ Platform	Bluewater Pipeline Meter ID (TGP)	Bluewater Pipeline Meter ID (CGT)	Lateral Pipeline	Onshore Delivery Point	Bid
WC 0616 A	3017702BW0H	054-012808-0	WC	616	McMoran Oil & Gas	1012	4,848	4,848	4152	018074	4152	direct connent		
WC 0620 A	3017702BW05	054-002232-0	WC	606	LL&E	1016	21							
WC 0620 A	3017702BW05	054-002234-0	WC	620	LL&E	1016	4,367	4,388	71743	011236	9600620	TET		
WC 0630 A	3017702BW07	054-002560-0	WC	630	Forcenergy Inc	1031	2,702	2,702	639	018019	639	direct connent		
WC 0631 A	3017702BW0G	054-015120-0	WC	631	Murphy E&P Co.	1015	1,440	1,440	unavail.	018070	4142	Murphy E&P Co.		
WC 0643 A	3017702BW08	891-013843-0	WC	643	Texaco E&P Inc.	1020	3,998	3,998	629	018011	629	direct connent		
WC 0643 B	3017702BW09	054-002241-0	WC	643	Texaco E&P Inc.	1005	1,392	1,392	652	018027	652	direct connent		
WC 0645 A	3017702BW0B	054-003973-0	WC	645	Vastar Resources Inc.	1042	4,192	4,192	unavail.	018054	4057	Vastar Res.		
WC 0648 A	3017702BW0A	054-004268-0	WC	648	Kerr-McGee O&G	1041	1,042							
WC 0648 A	3017702BW0A	054-015124-0	WC	638	Kerr-McGee O&G	1041	951	1,993	unavail.	018041	484	Kerr-McGee O&G		
Total Gas Processed at Bluewater Plant (27 FMPs)								78,318						
• Gas Processed at Yscloskey Plant														
EI 0224 A	3017709BW0B	054-005504-0	EI	224	Amoco Production Co.	1105	9,830	9,830	80383/4	011970	6800224	Amoco Prod. Co.		
EI 0251 A	3017709BW05	054-003331-0	EI	251	Newfield Exploration	1051	1,960							
EI 0251 A	3017709BW05	054-007736-0	EI	262	Newfield Exploration	1051	6,817	8,777	647	018021	647	direct connent		
EI 0258 B	3017709BW0I	054-001958-0	EI	255	CXY Energy Offshore	1161	55		011067	011067		direct connent		
EI 0258 B	3017709BW0I	054-001959-0	EI	258	CXY Energy Offshore	1161	502		011068	011068		direct connent		
EI 0258 B	3017709BW0I	054-002103-0	EI	257	CXY Energy Offshore	1076	2,874	3,431	011069	011069		direct connent		
EI 0273 A	3017710BW00	891-012338-0	EI	273	Forest Oil Corporation	995	1,185	1,185	0609	019077	609	direct connent		
EI 0314 B	3017710BW0F	891-016928-0	EI	330	Exxon Corporation	1137	317							
EI 0314 B	3017710BW0F	054-002111-0	EI	314	Exxon Corporation	1137	697	1,014	632	018025	632	direct connent		
EI 0322 A	3017710BW0I	054-002113-0	EI	322	Amoco Production Co.	1012	644							
EI 0322 A	3017710BW0I	054-002113-0	EI	322	Murphy E&P Co.	1043	1,839							
EI 0322 A	3017710BW0I	054-002606-0	EI	301	Amoco Production Co.	1012	82	2,565	011353	011353		direct connent		
EI 0325 A	3017710BW0G	054-005517-0	EI	325	Forest Oil Corporation	1004	705							
EI 0325 A	3017710BW0G	054-008695-0	EI	320	Forest Oil Corporation	1004	65	770	unavail.	012049		Forest Oil Corp.		
EI 0331 A	3017710BW0J	891-016932-0	EI	330	Shell Offshore Inc.	1165	149							
EI 0331 A	3017710BW0J	891-016933-0	EI	330	Shell Offshore Inc.	1165	858							
EI 0331 A	3017710BW0J	891-016937-0	EI	330	Shell Offshore Inc.	1153	81							
EI 0331 A	3017710BW0J	891-016941-0	EI	330	Shell Offshore Inc.	1153	207							
EI 0331 A	3017710BW0J	054-002116-0	EI	331	Shell Offshore Inc.	1153	3,457	4,752	428	018022	428	direct connent		

FMP Location	FMP No.	Lease/Unit No.	Area	Blk	Lease/Unit Operator	Btu cnt	Lease/ Agre MMBtu per day	FMP Total MMBtu per day	Meter No. at FMP/ Platform	Bluewater Pipeline Meter ID (TGP)	Bluewater Pipeline Meter ID (CGT)	Lateral Pipeline	Onshore Delivery Point	Bid
EI 0335 A	3117710BW00	054-017996-0	EI	335	Murphy E&P Co.	1121	3,444	3,444	012517	018058		Murphy E&P		
EI 0338 A	3017710BW0K	054-002118-0	EI	318	Texaco E&P Inc.	1115	792							
EI 0338 A	3017710BW0K	054-002318-0	EI	339	Texaco E&P Inc.	1115	759							
EI 0338 A	3017710BW0K	054-003783-0	EI	353	Texaco E&P Inc.	1115	10							
EI 0338 A	3017710BW0K	054-010752-0	EI	354	Texaco E&P Inc.	1115	482	2,043	011127	011127		direct connent		
EI 0365 A	3017710BW0Q	054-002321-0	EI	348	PennzEnergy E&P	1082	228							
EI 0365 A	3017710BW0Q	054-013628-0	EI	365	PennzEnergy E&P	1082	711	939	011220	011220		direct connent		
SS 0111 A	3017711BW0V	054-006739-0	SS	111	Newfield Exploration	1070	1,290	1,290	012102-01	012102	8800111	Newfield		
SS 0145 B	3017711BW04	055-011984-0	SS	159	Newfield Exploration	1049	932	932	012304	012304		direct connent		
SS 0157 A	3017711BW0W	754-397002-A	SS	170	Newfield Exploration	1045	538							
SS 0157 A	3017711BW0W	054-003584-0	SS	170	Newfield Exploration	1045	712							
SS 0157 A	3017711BW0W	054-010772-0	SS	171	Newfield Exploration	1045	26	1,276	unavail.	012190		Newfield		
SS 0167 A	3017711BW08	055-000818-0	SS	167	Murphy E&P Co.	1028	839							
SS 0167 A	3017711BW08	054-005549-0	SS	166	Murphy E&P Co.	1028	2,149	2,988	011208	011208		direct connent		
SS 0168 D	3017711BW0B	055-000819-0	SS	168	Chevron U.S.A. Inc.	1032	1,260	1,260	011624	011624		direct connent		
SS 0181 B	3017711BW0E	054-004231-0	SS	181	Chevron U.S.A. Inc.	1069	1,246	1,246	011691	011691		direct connent		
SS 0182 C	3017711BW0F	054-000821-0	SS	183	Chevron U.S.A. Inc.	1055	2,243							
SS 0182 C	3017711BW0F	054-001019-0	SS	182	Chevron U.S.A. Inc.	1055	291	2,534	011182	011182		direct connent		
SS 0198 H	3017711BW0I	054-012358-0	SS	198	PennzEnergy E&P	1075	3,423							
SS 0198 H	3017711BW0I	054-012355-0	SS	199	PennzEnergy E&P	1075	83	3,506	011180	011180		direct connent		
SS 0198 J	3017711BW0Q	054-012355-0	SS	199	PennzEnergy E&P	1062	838	838	011802	011802		direct connent		
Total Gas Processed at Yscloskey Plant (20 FMPs)								54,620						
• Null Point Gas (Processed at either Bluewater or Yscloskey Plants)														
SM 0078 B	3017708BW04	054-001210-0	SM	78	Chevron U.S.A. Inc.	1059	2,001							
SM 0078 B	3017708BW04	054-007703-0	SM	77	Chevron U.S.A. Inc.	1059	1,143	3,144	011971	011971		direct connent		
SM 0080 A	3017708BW05	054-014439-0	SM	80	Ocean Energy, Inc.	1020	1,034	1,034	unavail.	012414		Coastal States		
SM 0090 A	3017708BW06	054-008684-0	SM	90	Chevron U.S.A. Inc.	1047	1,743	1,743	unavail.	018069	4129	Chevron		
SM 0099 A	3017708BW01	054-004109-0	SM	99	Exxon Corporation	1079	742							
SM 0099 A	3017708BW01	054-008684-0	SM	90	Exxon Corporation	1079	31	773	696	018036	696	direct connent		

FMP Location	FMP No.	Lease/Unit No.	Area	Blk	Lease/Unit Operator	Btu cnt	Lease/ Agre MMBtu per day	FMP Total MMBtu per day	Meter No. at FMP/ Platform	Bluewater Pipeline Meter ID (TGP)	Bluewater Pipeline Meter ID (CGT)	Lateral Pipeline	Onshore Delivery Point	Bid
VR 0245 B, E	3017705BW0J	054-001146-0	VR	245	Chevron U.S.A. Inc.	1056	907	907	010953, 011366	010953, 011366		direct connent		
VR 0249 A	3017705BW0Z	054-006678-0	VR	249	Aviara Energy	1014	1,707	1,707	unavail.	012109		Aviara Energy		
VR 0255 A	3017706BW01	054-001152-0	VR	255	Stone Energy	1091	2,899	2,899	607	018001	607	direct connent		
VR 0256 D	3017706BW02	054-001153-0	VR	256	Stone Energy	1076	1,210	1,210	621	018006	621	direct connent		
VR 0289 A	3017706BW0A	054-004213-0	VR	289	Coastal Oil & Gas	1056	162							
VR 0289 A	3017706BW0A	054-009509-0	VR	288	Seagull Energy E&P	1066	68							
VR 0289 A	3017706BW0A	054-009511-0	VR	296	Seneca Res. Corp.	1082	699							
VR 0289 A	3017706BW0A	054-015200-0	VR	274	Coastal Oil & Gas	1058	278	1,207	4024	018044	4024	Coastal Oil & Gas		
Total Null Point Gas (9 FMPs)								14,624						
Total Bluewater Pipeline System (56 FMPs)								147,562						
Sea Robin Pipeline System														
EC 0261 A	3117704BB01	054-000971-0	EC	261	Amoco Production Co.	1028	304							
EC 0261 A	3117704BB01	054-001880-0	EC	264	Amoco Production Co.	1028	694	998	4735			direct connent		
EC 0270 B	3117704BB05	054-002045-0	EC	270	Union Pacific Res.	1036	1,953	1,953	4743			direct connent		
EC 0278 B	3117704BB00	054-000972-0	EC	265	Texaco E&P Inc.	1049	597							
EC 0278 B	3117704BB00	054-000974-0	EC	278	Texaco E&P Inc.	1023	1,337	1,934	6654			direct connent		
EC 0278 C	3017704BB0A	054-000974-0	EC	278	Texaco E&P Inc.	1049	2,621	2,621	9186			Sabine/Texaco		
EC 0317 A	3017704BB0B	054-005392-0	EC	317	Santa Fe Snyder	1016	1,317							
EC 0317 A	3017704BB0B	054-005393-0	EC	318	Santa Fe Snyder	1016	700	2,017	9337			Santa Fe Snyder		
EC 0332 A	3017704BB05	754-392008-0	EC	332	Samedan Oil	1123	4,385	4,385	9720			direct connent		
EC 0336 A	3017704BB08	054-003388-0	EC	336	Amerada Hess Corp.	1082	1,503	1,503	4768			Texas Eastern		
EC 0381 A	3017704BB0D	054-002267-0	EC	371	Texaco E&P Inc.	1091	3,724							
EC 0381 A	3017704BB0D	054-015161-0	EC	381	Texaco E&P Inc.	1091	2,241	5,965	9750			Texaco E&P Inc.		
EI 0182 A	3017709BB00	054-003782-0	EI	174	Newfield Exploration	1106	16							
EI 0182 A	3017709BB00	054-004451-0	EI	181	Newfield Exploration	1106	10							
EI 0182 A	3017709BB00	054-004452-0	EI	182	Newfield Exploration	1106	1,129	1,155	6334			Newfield		
EI 0240 A	3017709BB0B	054-004453-0	EI	240	Vastar Offshore, Inc.	1059	1,998	1,998	8730			Vastar Pipeline		
EI 0256 A	3017709BB07	054-002102-0	EI	256	Pogo Producing Co.	1049	832	832	4758			direct connent		

FMP Location	FMP No.	Lease/Unit No.	Area	Blk	Lease/Unit Operator	Btu cnt	Lease/ Agre MMBtu per day	FMP Total MMBtu per day	Meter No. at FMP/ Platform	Bluewater Pipeline Meter ID (TGP)	Bluewater Pipeline Meter ID (CGT)	Lateral Pipeline	Onshore Delivery Point	Bid
EI 0305 B	3017710BB01	054-002108-0	EI	305	PennzEnergy E&P	1094	978	978	6333			NGPC		
EI 0313 B	3017710BB03	891-020232-0	EI	333	Texaco E&P Inc.	1083	23							
EI 0313 B	3017710BB03	054-002608-0	EI	313	Texaco E&P Inc.	1042	943	966	6335			CGT		
EI 0330 A	3117710BB03	054-002115-0	EI	330	PennzEnergy E&P	1111	1,988	1,988	4746			direct connent		
EI 0330 C	3117710BB05	891-016943-0	EI	330	PennzEnergy E&P	1167	252							
EI 0330 C	3117710BB05	054-002115-0	EI	330	PennzEnergy E&P	1167	1,919	2,171	4741			direct connent		
EI 0333 A	3117710BB00	054-002317-0	EI	333	PennzEnergy E&P	1083	1,069							
EI 0333 A	3117710BB00	054-002608-0	EI	313	PennzEnergy E&P	1083	824	1,893	4754			direct connent		
SM 0039 A	3017707BB0E	054-016320-0	SM	39	Equitable Production	1077	1,379	1,379	9770			Equitable Prod. Co.		
SM 0128 A	3017708BB01	054-002587-0	SM	128	PennzEnergy E&P	1082	1,361							
SM 0128 A	3017708BB01	054-002882-0	SM	125	PennzEnergy E&P	1082	284							
SM 0128 A	3017708BB01	054-002883-0	SM	127	PennzEnergy E&P	1082	12							
SM 0128 A	3017708BB01	054-002885-0	SM	141	PennzEnergy E&P	1082	209	1,866	4753			direct connent		
SM 0141 A	3017708BB06	054-002885-0	SM	141	Newfield Exploration	1080	5,817							
SM 0141 A	3017708BB06	054-002886-0	SM	144	Newfield Exploration	1080	133							
SM 0141 A	3017708BB06	054-017943-0	SM	140	Newfield Exploration	1080	330	6,280	4765			TGP		
SM 0142 A	3017708BB02	054-001216-0	SM	142	Aviara Energy	1089	1,339	1,339	6339			CGT		
VR 0160 BJ	3017705BB03	054-003128-0	VR	159	McMoran Oil & Gas	1072	861							
VR 0160 BJ	3017705BB03	054-008668-0	VR	160	McMoran Oil & Gas	1072	4,136	4,997	9780			Duke Energy		
VR 0161 BJ	3017705BB00	054-001127-0	VR	161	Samedan Oil	1070	1,943	1,943	9700			Samedan Oil		
VR 0164 A	3017705BB0B	054-006668-0	VR	164	Exxon Corporation	1079	1,523							
VR 0164 A	3017705BB0B	054-011870-0	VR	164	Exxon Corporation	1079	173	1,696	9690			Exxon Corporation		
VR 0171 A	3017705BB02	054-001130-0	VR	171	LL&E	1035	1,472	1,472	4755			LL&E		
WC 0554 A	3017702BB00	054-007629-0	WC	554	Newfield Exploration	1014	682							
WC 0554 A	3017702BB00	054-007629-0	WC	554	LL&E	996	236							
WC 0554 A	3017702BB00	054-015109-0	WC	535	Newfield Exploration	1014	977	1,895	9660			Sonat Gath. Co.		
WC 0580 A	3017702BB01	054-012803-0	WC	580	PennzEnergy E&P	1114	4,317	4,317	4700			direct connent		
Total Sea Robin Pipeline System (26 FMPs)								60,541						
Total Bluewater and Sea Robin Pipeline Systems (82 FMPs)								208,103						

April 2000 OCS Gas RIK Project **Exhibit B** **1/25/00**

IFB No. MMS-RIK-2000-GOMR-003

Monthly (6/6) Production Flowing Through FMPs (MMBtus)

Bluewater Pipeline System

• Gas Processed at Bluewater Gas Plant

FMP Location	FMP No.	Nov'98	Dec'98	Jan'99	Feb'99	Mar'99	Apr'99	May'99	Jun'99	Jul'99	Aug'99	Sep'99	Oct'99
EC 0254 B	3017704BW01	736,252	822,510	740,261	605,689	593,722	526,114	475,903	418,209	409,935	374,493	363,490	311,207
EC 0272 A	3017704BW03	233,989	235,874	237,733	221,219	246,727	212,906	210,734	172,836	139,413	177,621	164,784	107,165
EC 0353 A	3017704BW06	242,640	207,260	250,666	232,690	241,435	215,253	203,957	190,420	159,388	207,625	147,310	207,172
GB 0189 A	3060807BW01	1,979,042	2,066,317	2,373,281	2,256,373	2,484,973	2,381,745	2,483,097	2,408,670	2,353,308	2,284,727	2,040,323	2,155,095
GB 0236 A	3060807BW00	1,400,440	1,372,805	1,511,017	1,299,249	1,417,794	1,314,751	1,233,415	912,564	906,687	810,224	854,627	987,014
SM 0245	3017707PI0L	330,721	341,788	335,949	284,033	317,702	307,840	305,708	287,796	n/a	n/a	n/a	n/a
SM 0250 A	3017707PI0K	367,935	362,571	328,584	327,170	353,217	284,808	259,001	268,894	169,065	11,411	n/a	n/a
VR 0115 A	3117705BW01	918,676	871,322	900,132	855,672	933,597	860,304	857,468	782,074	746,040	825,808	750,829	740,934
VR 0119 G	3017705BW07	621,986	505,013	417,280	300,308	229,002	436,126	435,789	n/a	n/a	n/a	n/a	n/a
VR 0160 AJ	3017705BW0P	1,173,264	1,363,458	1,365,537	1,130,832	1,224,767	1,126,288	638,249	566,054	601,079	569,310	508,968	448,896
VR 0178 JB	3017705BW0I	160,335	179,828	167,920	94,022	131,895	156,862	91,412	123,677	455,028	n/a	n/a	n/a
VR 0203 A	3017705BW0W	128,916	129,867	111,679	76,055	75,102	60,810	64,491	35,072	73,218	193,658	195,364	148,444
VR 0221 A	3017705BW05	284,000	271,414	213,842	311,949	329,989	378,172	302,950	281,990	148,555	147,450	141,371	138,399
VR 0226 A	3017705BW0G	122,483	123,925	164,825	226,767	193,728	150,764	177,326	174,384	208,364	192,387	167,035	165,581
VR 0281 A	3017706BW0F	261,892	266,719	274,134	249,201	259,207	256,241	205,550	338,000	351,158	336,057	320,292	343,954
WC 0485 A	3017702BW0D	726,468	637,278	739,757	695,163	689,504	649,800	630,765	581,859	605,133	582,648	539,930	469,416
WC 0599 A	3017702BW0E	276,920	228,185	277,865	223,270	282,843	276,420	253,803	237,019	303,729	668,156	634,068	631,197
WC 0601 A	3017702BW00	279,285	288,419	305,001	349,116	365,847	352,302	310,323	264,868	238,740	230,870	233,941	219,648
WC 0615 A	3017702BW0F	202,695	672,525	671,421	573,804	611,495	456,091	522,218	1,332,368	1,438,014	1,045,368	740,343	420,767
WC 0616 A	3017702BW0H	- 0 -	- 0 -	- 0 -	- 0 -	1,001,996	1,263,443	985,534	1,061,180	1,161,715	1,006,162	857,025	754,552
WC 0620 A	3017702BW05	458,385	498,923	477,405	518,609	624,780	596,868	610,645	686,018	764,539	806,228	798,589	800,118
WC 0630 A	3017702BW07	1,029,946	1,114,621	946,364	991,517	1,047,632	1,012,903	1,000,341	861,918	685,360	454,516	319,214	268,242
WC 0631 A	3017702BW0G	639,223	577,525	398,483	503,236	523,447	434,662	369,863	307,462	185,514	156,143	435,776	981,523
WC 0643 A	3017702BW08	893,612	867,211	813,399	660,550	797,412	825,178	820,314	750,554	778,682	775,373	604,911	595,335
WC 0643 B	3017702BW09	- 0 -	- 0 -	- 0 -	- 0 -	1,537	142,265	313,354	307,243	296,853	262,291	207,367	150,921
WC 0645 A	3017702BW0B	524,609	582,482	873,387	743,722	952,421	987,496	943,732	868,534	782,555	612,496	581,958	n/a
WC 0648 A	3017702BW0A	259,245	454,538	792,401	661,318	716,315	685,443	617,179	521,956	464,305	320,515	291,367	263,174

• Gas Processed at Shell Yscloskey Gas Plant

FMP Location	FMP No.	Nov'98	Dec'98	Jan'99	Feb'99	Mar'99	Apr'99	May'99	Jun'99	Jul'99	Aug'99	Sep'99	Oct'99
EI 0224 A	3017709BW0B	2,120,320	2,478,390	2,289,341	1,770,656	1,942,436	1,641,355	1,724,304	1,604,008	1,619,859	1,633,833	1,626,617	n/a
EI 0251 A	3017709BW05	1,581,543	1,504,683	1,496,336	1,359,208	1,599,471	1,594,511	1,516,335	1,549,164	1,592,705	1,578,057	1,568,826	n/a
EI 0258 B	3017709BW0I	760,306	772,013	701,504	680,771	781,657	812,915	770,433	686,233	693,138	654,638	504,978	541,047
EI 0273 A	3017710BW00	273,403	265,120	239,732	189,205	214,469	211,894	214,929	211,708	213,331	n/a	n/a	n/a
EI 0314 B	3017710BW0F	- 0 -	- 0 -	- 0 -	92,193	181,297	164,967	153,884	130,002	127,620	124,615	113,369	n/a
EI 0322 A	3017710BW0I	273,193	265,011	566,016	483,211	655,032	647,146	652,536	612,574	610,422	516,312	258,117	262,863
EI 0325 A	3017710BW0G	268,742	236,789	201,166	161,780	171,532	155,514	156,251	144,965	142,604	128,026	n/a	n/a
EI 0331 A	3017710BW0J	1,294,828	1,334,399	1,521,254	1,363,630	1,509,019	1,389,683	1,387,056	1,256,867	1,056,611	774,466	964,139	1,155,743
EI 0335 A	3117710BW00	- 0 -	- 0 -	373,767	475,557	435,780	714,936	708,893	780,021	755,206	746,802	685,028	642,175
EI 0338 A	3017710BW0K	616,287	597,374	535,610	468,618	494,518	462,149	497,272	428,239	406,236	339,933	357,203	n/a
EI 0365 A	3017710BW0Q	301,223	237,304	239,638	211,991	223,940	206,974	203,607	185,361	187,462	176,221	163,767	166,788
SS 0111 A	3017711BW0V	133,980	111,687	145,975	198,730	214,777	228,912	228,859	214,943	241,874	239,487	215,457	n/a
SS 0145 B	3017711BW04	208,007	208,322	202,726	181,791	158,548	132,241	123,958	67,804	82,738	211,087	209,336	218,035
SS 0157 A	3017711BW0W	234,631	247,285	234,035	208,921	220,642	186,797	192,885	169,111	228,680	265,805	248,144	175,106
SS 0167 A	3017711BW08	508,798	540,650	355,427	614,567	725,010	606,035	571,952	577,197	623,013	660,249	636,482	652,124

IFB No. MMS-RIK-2000-GOMR-003

Monthly (6/6) Production Flowing Through FMPs (MMBtus)

FMP Location	FMP No.	Nov'98	Dec'98	Jan'99	Feb'99	Mar'99	Apr'99	May'99	Jun'99	Jul'99	Aug'99	Sep'99	Oct'99
SS 0168 D	3017711BW0B	245,733	243,167	246,530	236,218	259,081	232,995	252,960	239,629	242,729	227,034	210,627	222,137
SS 0181 B	3017711BW0E	41,558	37,474	61,368	353,202	387,361	381,623	396,161	370,580	276,216	241,084	155,649	119,868
SS 0182 C	3017711BW0F	532,369	492,463	482,837	696,162	738,504	524,378	627,908	472,231	533,450	482,725	352,214	332,726
SS 0198 H	3017711BW0I	323,627	304,499	284,320	251,384	268,629	248,096	168,524	219,326	682,666	694,605	737,081	461,482
SS 0198 J	3017711BW0Q	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	109,564	124,204	194,659	148,794	108,963

• Gas Processed at either Bluewater or Yscloskey Gas Plants

SM 0078 B	3017708BW04	738,749	828,532	819,675	744,523	753,225	661,401	678,365	580,801	589,941	547,011	561,101	555,567
SM 0080 A	3017708BW05	35,275	92,984	92,068	74,004	29,527	179,556	198,299	180,357	n/a	n/a	n/a	n/a
SM 0090 A	3017708BW06	378,201	365,734	357,978	320,427	347,320	300,980	307,981	312,936	321,697	319,558	299,849	299,650
SM 0099 A	3017708BW01	209,049	256,228	185,013	88,212	169,148	155,161	155,646	141,117	142,449	123,874	159,384	134,374
VR 0245 B,E	3017705BW0J	191,649	271,326	319,971	311,096	441,514	319,067	296,921	250,825	206,838	156,353	126,483	124,206
VR 0249 A	3017705BW0Z	270,287	252,496	273,649	283,505	330,733	326,154	293,540	302,818	290,802	331,600	273,144	316,904
VR 0255 A	3017706BW01	441,786	544,225	448,006	411,871	403,137	537,658	674,271	795,732	763,344	604,887	497,448	463,003
VR 0256 D	3017706BW02	39,603	43,203	42,925	43,826	42,443	41,679	45,854	111,475	256,847	241,133	218,247	193,994
VR 0289 A	3017706BW0A	316,146	286,633	255,625	207,513	263,587	230,104	227,863	218,201	216,389	153,883	108,702	97,851

Sea Robin Pipeline System

EC 0261 A	3117704BB01	222,040	226,019	201,867	169,318	230,174	189,516	151,481	189,245	186,619	179,254	172,993	160,190
EC 0270 B	3117704BB05	389,232	401,939	411,227	370,620	401,466	386,648	395,078	292,893	415,909	310,647	328,059	n/a
EC 0278 B	3117704BB00	401,088	571,207	591,692	259,778	386,249	637,889	221,482	221,952	340,226	346,661	357,851	184,372
EC 0278 C	3017704BB0A	492,536	348,117	254,908	464,297	316,442	265,461	495,677	464,156	515,127	463,605	436,819	416,426
EC 0317 A	3017704BB0B	367,107	265,977	281,885	315,827	368,909	334,637	366,721	355,638	366,798	n/a	n/a	n/a
EC 0332 A	3017704BB05	1,627,191	1,539,365	1,590,470	1,385,712	1,531,192	1,349,399	1,182,396	710,978	963,102	841,179	563,839	n/a
EC 0336 A	3017704BB08	278,944	313,758	271,972	292,791	315,970	297,129	278,390	268,976	282,500	282,892	246,451	233,014
EC 0381 A	3017704BB0D	2,343,760	2,274,976	1,959,538	672,645	1,552,248	1,654,176	1,637,952	1,332,571	1,290,393	1,061,424	854,076	710,052
EI 0182 A	3017709BB00	193,469	206,915	303,127	222,687	264,255	227,308	232,960	213,846	209,725	212,574	201,571	197,915
EI 0240 A	3017709BB0B	254,820	266,342	263,302	249,416	290,702	284,119	280,179	267,545	222,160	257,841	598,675	879,086
EI 0256 A	3017709BB07	146,627	146,213	144,216	109,339	139,832	137,268	131,143	145,883	148,838	155,042	145,253	172,240
EI 0305 B	3017710BB01	254,108	243,835	234,370	206,654	223,299	144,359	236,396	206,645	173,767	78,540	238,565	211,205
EI 0313 B	3017710BB03	401,779	367,007	222,539	199,684	322,427	245,474	218,971	194,276	183,474	172,712	152,989	137,581
EI 0330 A	3117710BB03	479,084	482,970	451,977	388,396	420,978	434,144	410,713	402,281	400,743	398,036	352,767	322,616
EI 0330 C	3117710BB05	474,785	502,958	487,764	444,759	539,019	514,779	500,019	475,976	475,176	438,838	389,292	344,086
EI 0333 A	3117710BB00	562,171	529,598	479,124	437,997	475,356	423,245	408,135	378,938	332,604	340,594	347,748	333,895
SM 0039 A	3017707BB0E	- 0 -	- 0 -	- 0 -	- 0 -	25,763	203,887	251,669	193,590	608,733	710,991	494,472	577,917
SM 0128 A	3017708BB01	744,167	898,962	1,024,695	695,736	504,670	504,955	507,854	453,991	254,679	98,429	90,471	84,252
SM 0141 A	3017708BB06	- 0 -	- 0 -	649,161	1,166,238	1,280,930	1,117,887	1,204,999	1,073,914	1,098,325	1,086,204	1,040,116	1,274,593
SM 0142 A	3017708BB02	362,604	317,163	387,057	363,522	343,257	290,448	388,752	337,539	246,647	231,975	264,863	226,407
VR 0160 BJ	3017705BB03	- 0 -	- 0 -	321,762	1,412,289	1,628,364	1,525,083	1,158,072	983,786	847,310	881,706	765,899	672,668
VR 0161 BJ	3017705BB00	203,463	195,837	137,774	813	- 0 -	34,345	75,727	49,958	365,539	371,748	312,110	322,930
VR 0164 A	3017705BB0B	378,968	415,132	405,374	366,728	413,681	339,624	339,245	284,822	301,337	306,974	303,847	305,165
VR 0171 A	3017705BB02	62,510	57,383	46,873	30,968	28,485	33,923	17,465	33,896	34,886	52,291	366,361	410,577
WC 0554 A	3017702BB00	505,093	547,951	466,978	455,632	507,941	429,381	423,130	397,489	418,459	349,453	255,587	150,983
WC 0580 A	3017702BB01	1,155,824	1,061,371	1,009,415	869,347	967,368	853,050	730,697	395,351	281,046	322,834	712,655	1,295,448

OMB Control Number 1010-0129 Expiration date: February 29, 2000

EXHIBIT C

PREQUALIFICATION SOLICITATION

ROYALTY GAS BIDDERS
ROYALTY IN KIND PROGRAM
GULF OF MEXICO PILOT- IFB MMS-RIK-2000-GOMR-003

issued by

U.S. Department of the Interior
Minerals Management Service
Procurement and Property Management Division
Procurement Operations Branch
381 Elden Street, MS 2500
Herndon, Virginia 22070-4817

PAPERWORK REDUCTION ACT STATEMENT: The Paperwork Reduction Act of 1995 requires us to inform you that the Minerals Management Service (MMS) collects this information to document fulfillment of royalty obligations and sales of minerals from leases on Federal lands. We will use this information to evaluate bids for sale of royalty production. Proprietary information is protected according to standards established by the Federal Oil and Gas Royalty Management Act of 1982 (30 U. S. C. 1733), the Freedom of Information Act (5 U.S., 552 (b)(4), and the Departmental Regulations (43 CFR 2). Responses are required to obtain a benefit. Comments on the accuracy of this burden or suggestions on reducing this burden should be directed to the Information Collection Clearance Officer, MS 4230, MMS, 1849 C Street, N. W., Washington DC 20240.

COVER PAGE

The Minerals Management Service (MMS) is soliciting applications from energy companies and organizations that wish to be designated as prequalified to bid on the royalty portion of natural gas produced from offshore leases in the Gulf of Mexico. This opportunity is specific to the solicitation for bids posted on or about January 21, 2000 on the MMS Web site. This solicitation consists of this Cover Page and the attached Requestor's Signature Page.

The royalty gas will be disposed within MMS' royalty in kind (RIK) pilot program testing the RIK concept. The January 21, 2000, offering will be for a 7-month term beginning on April 1, 2000.

MMS will review and analyze financial statements submitted by energy companies or organizations in response to this request in conjunction with publicly available information. Those companies that are deemed qualified by MMS to purchase royalty gas will be so notified. MMS will only consider competitive bids from prequalified companies.

Potential purchasers of Federal gas in this RIK pilot program must certify that the company's total revenues from buying and selling natural gas have not been less than the following during any calendar year from 1994 through 1998, inclusively:

BID	QUALIFYING LEVEL
Entire Bluewater Pipeline	$135 million
- Western Bluewater	$ 70 million
- Eastern Bluewater	$ 50 million
- Null Point	$ 15 million
Sea Robin Pipeline	$ 55 million
Both Pipelines	$190 million

For joint ventures and partnering arrangements, only one of the partners is required to qualify, provided that each of the partners is jointly and severally liable with respect to all obligations in this solicitation. MMS requests interested energy companies/organizations complete and fax the attached Requestor's Signature Page with the most current company Financial Statement to:

U.S. Department of the Interior, Minerals Management Service
Attn: Mr. Doug Ivey
1700 North Congress Ave
Austin, TX 78701-1495
Telefax (512) 475-1404

Prequalification applications must be submitted by no later than January 28, 2000 to the above address to be approved as a qualified bidder. **Only qualified potential purchasers will be allowed to bid for royalty gas volumes made available.**

REQUESTOR'S SIGNATURE PAGE
GULF OF MEXICO RIK PILOT; IFB MMS-RIK-2000-GOMR-003

REQUESTOR'S BUSINESS NAME: ______________________

ADDRESS:_____________________________

CORPORATE OR PARTNERSHIP OFFICER: _________________

TYPED NAME AND TITLE:_______________________

DATE:______________________________

POINT OF CONTACT NAME AND TITLE:_______________________

POINT OF CONTACT PHONE AND FAX:________________________

POINT OF CONTACT EMAIL ADDRESS:_________________________

CORPORATE SEAL: _________________________

Requests by corporations must be executed over the corporate seal.

We certify that we are a qualified bidder as described in the Cover Page of this solicitation and that the information, representations and certifications included in the attached Financial Statement are accurate.

OMB Control Number 1010-0126 Expiration date: January 31, 2000

EXHIBIT D

Dear Operator:

The Minerals Management Service (MMS) has selected one or more Gulf of Mexico lease(s) that you operate to be included in a pilot project (Pilot) in which we will take natural gas royalties in kind beginning April 1, 2000. For the term of the Pilot, natural gas royalties will be taken in kind from offshore leases as defined in the Outer Continental Shelf Lands Act of 1953 (OCSLA, 43 U.S.C. 1337(g)). The purpose of the Pilot is to examine the methods and feasibility of taking natural gas royalties in kind.

This letter provides the procedures and establishes the terms and conditions under which the United States (Lessor) will take royalty gas in kind during this project. Our authority is the Outer Continental Shelf Lands Act at 43 U.S.C. 1353, and the royalty provisions contained in your Federal lease(s). For the purposes of this letter, royalty gas means the daily Federal lease production multiplied by the lease royalty rate.

Term

The Lessor will take all royalty gas from the properties listed in the enclosure beginning on the 1st day of April 2000 and ending on the last day of the month subsequently designated by the Lessor as the date of termination. The Lessor will provide Lessee and Operator with a minimum 30-day prior written notice of termination of in-kind status and will attempt to provide 45-day notice of termination, if possible.

Royalty-in-Kind Applicability

You must deliver all royalty gas to the Lessor from the selected leases, including royalty gas from newly producing wells on these leases or newly producing leases added to commingling agreements. Royalty gas must be placed in marketable condition at no cost to the Lessor. Marketable condition means the condition generally acceptable to purchasers in the field or area. Questions regarding marketable condition should be directed to the Lessor’s Program Coordinator (under “Lessor Point of Contact” at the end of this letter).

The amount of any flash gas allocable to the lease obtained downstream of the Facility Measurement Point (FMP) will be included in subsequent month volume adjustments as described under "Balancing Account and Imbalances”.

Royalty Gas Delivery

The Lessor will take delivery of the royalty gas at the Delivery Point. The Lessee must deliver or accomplish delivery of royalty gas to the Lessor at the Delivery Point at the same frequency as it is produced and transported from the property. Unless otherwise agreed, delivery will be assumed to be daily.

The Delivery Point for royalty gas produced from the selected leases is the FMP that is approved by MMS as the royalty settlement point. If there is more than one approved FMP, after consultation with you, we will designate in writing one or more FMP as the delivery point(s). The Lessor shall have custody, possession, and responsibility for royalty gas beyond the delivery point.

We are not requiring you to process the royalty gas.

Fulfillment of Royalty Obligations

Delivery of the accurate volume of royalty gas (taking into account the effects of normal operational imbalances) in accordance with the terms of this letter will satisfy in full the Lessee's royalty obligation to the Lessor. However, the rights, duties, and obligations that currently exist between the Lessor, Lessee, and Operator for natural gas avoidably lost prior to the FMP or gas used on or for the benefit of the lease under 30 CFR part 202 remain in effect.

All rent or minimum royalty obligations on any property in this program remain the responsibility of the Lessee. If we believe that the Lessee owes minimum royalties, we will issue an appropriate order to pay. The Lessee will have 30 days to review the bill and make payment or appeal the bill.

Lessor Obligation to Take

The Lessor agrees to take 100 percent of the royalty gas delivered daily for the account of the Lessor or its designee at the Delivery Point. The Lessor, using customary industry practices set forth in GISB standards and the Council of Petroleum Accountants Societies (COPAS) White Paper on Producer and Operator Roles and Responsibilities for nominating and scheduling transportation services, will exercise its best efforts to minimize the occurrence of imbalances with you and other lessees. Where possible, you will use a predetermined allocation equal to the royalty rate.

To facilitate timely and accurate custody transfer of royalty gas, the Lessor will communicate with you and make arrangements for the transfer of royalty gas from the Delivery Point(s). The Lessor will incur all transportation-related penalties incurred beyond the delivery point if, through no fault of your own, the Lessor fails to nominate gas volumes for transportation consistent with your communication regarding volumes to be delivered. The Lessee will incur no royalty-related penalties because of the

Lessor's failure to nominate or take delivery of gas volumes as communicated by the Operator.

Communication with Lessor

No later than 8 calendar days before the first day of each month, you must notify the Lessor of the daily royalty gas volumes anticipated for the following month of production. You may make other arrangements for timely notification only if acceptable to the Lessor. The Lessor understands that any such estimate is not a warranty of actual deliveries to be made but is provided to facilitate planning.

You must also use reasonable efforts, consistent with industry practice, to inform the Lessor regarding significant changes in gas production levels and/or royalty shares anticipated for project properties. Such communication must occur as soon as practicable after you know of such anticipated changes in production levels.

Balancing Account and Imbalances (Lease Level Imbalances)

Requirements for handling imbalances are outlined below:

- Imbalances will be determined based on the difference between the royalty share of production and the actual volumes delivered. These imbalances will be maintained at a lease or agreement level.

- You, as the Operator, must provide the lease imbalance statement to MMS no later than 45 days after the end of the month of production, unless MMS approves an alternative timeframe for submission of the statement.

- Deliveries for the month following the month when the imbalance statement is due will be adjusted to provide for volumetric make-up of the monthly imbalances.

- Ordinary imbalances remaining upon cessation of the royalty in-kind term or cessation of production will be settled based on the first-of-month index or indices listed for each property in the enclosure. This index (indices), net of transportation costs from the lease for the final month of delivery, will be used to value the final imbalance. The applicable over- or under-taken lessees will report the imbalance volume and value on the Report of Royalty Sales and Remittance (Form MMS-2014) as either a positive or negative for the final month of delivery. Interest will accrue from 60 days after the final month of delivery.

Volume Reconciliations

The MMS analysts will monitor and reconcile production and volumes delivered with additional data, including pipeline data. MMS will attempt to reconcile volumes as soon as practicable. Reconciliations will involve communication between you and the Lessor. Upon project termination, you, as the

Operator, must issue a final gas imbalance statement. You will settle in accordance with the section "Balancing Account and Imbalances."

Reporting

You must continue to report natural gas production to MMS on the Oil and Gas Operations Report (OGOR) or Monthly Report of Operations (Form MMS-3160), as applicable, under current requirements and frequencies as specified in MMS regulations and the MMS *PAAS Reporter Handbook*. You will not be required to report natural gas information for the leases in this program on the Form MMS-2014 or other similar form for the term during which the Lessor takes royalty in kind, except under provisions described below in this section and under provisions described above under "Balancing Account and Imbalances." Reporting and payment requirements for production and royalties for any crude oil or condensate for the leases included in this natural gas royalty in-kind program will not change. Reporting will not change for leases not included in this program.

You must report any transportation allowances and any final imbalances on a separate Form MMS-2014 using a unique payor code. You will report separate entries for the allocated volume and values of transportation costs and final imbalances for each of the lease(s) identified in the enclosure. The payor code you will use for this monthly Form MMS-2014 is _____. You must modify your regular monthly payment to MMS as shown on your Form MMS-2014 for payor code _________ by the net revenue total from this separate "RIK" Form MMS-2014 and indicate on your submittal letter that you have done so.

Lessor's Designee

At times, the Lessor may act by or through a duly authorized designee. In such event, the Lessor will provide you with prior written notification of the identity of its designee(s) including the person to contact. Such notification will include specific duties that will be handled by the designee on behalf of the Lessor. The Lessor also will provide written notification to you when the designee is no longer authorized to act on Lessor's behalf for the purposes of this letter.   You are authorized to communicate with the designee as specified in the notification. You will not be required to direct communications to both the Lessor and its designee. For purposes of this letter, if the Lessor notifies you that it will use a designee in the Pilot, references to Lessor shall refer to the Lessor's designee.

Lessor shall require the designee to agree in writing that the designee is required to comply with all provisions of this letter that are applicable to Lessor when it acts on behalf of Lessor.

Audit Rights

The Lessor may audit your records regarding all information relevant to volumes and qualities of royalty gas produced, stored, used on the lease, measured, delivered, and, if applicable, transported. The

MMS reserves the right to examine the financial records of you and the Lessees of the subject properties related to any transportation expenditures incurred prior to the delivery point.

Lessees, Operators, and revenue payors must maintain all records of transactions mentioned in the above paragraph for a period of 7 years from the day on which the relevant transaction occurred unless MMS notifies the record holder of an audit or investigation. When an audit or investigation is underway, records must be maintained until the record holder is released in writing from the obligation to maintain the records.

Lessor Point of Contact

Copies of all correspondence between Operator and Lessor should be kept on file by the Operator. Points of contact for the Lessor are as follows:

Lessor Program Coordinator:

Scheduling, Transportation, and Imbalance Issues:

Reporting Issues:

Electronic Funds Transfer:

Lessor acknowledges that you and the other Lessees have given proper notice hereunder whenever you communicate with Lessor using the e-mail address, fax number, or telephone number set forth above, provided any telephone communication regarding volumes is confirmed thereafter by fax or e-mail no later than 1 business day after telephone communication occurs. The Lessor further agrees to make arrangements to receive such communications regarding gas scheduling issues on a 7-day a week, 24-hour a day basis. Operators and Lessees should communicate with the above points of contact to answer any further questions.

The Paperwork Reduction Act requires us to inform you that the information being collected as a result of this letter is necessary to document details of royalty payments and sales of minerals from leases on Federal lands. We will use this information to maintain and audit lease accounts, and we estimate the burden for reporting electronically is more than 2 minutes per line. Comments on the accuracy of this burden or suggestions on reducing this burden should be directed to the Information Collection Clearance Officer, MS 4230, MMS, 1849 C Street, N.W., Washington, DC 20240 and to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attention: Desk Officer for the U.S. Department of the Interior, Washington, DC 20503. Proprietary information submitted to the U.S. Department of the Interior is protected in accordance with standards established by the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1733), the Freedom of Information Act (5 U.S.C. 552(b)(4)), and the Departmental Regulations (43 CFR 2). Storage of such information and access to it are controlled by strict security measures. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB number.

Sincerely,

Lucy Querques Denett
Associate Director for
Royalty Management

MMS OCS Gas RIK Project Summary of Receipt and Delivery Volumes

EXHIBIT E

Sales Month: ____________________

	FMP Receipt Volume					Onshore Delivery Volume	
FMP No.	Mcf Vol.	Btu content	MMBtus	Exchange Ratio	Onshore Delivery Point	Mcf Vol.	Btu content